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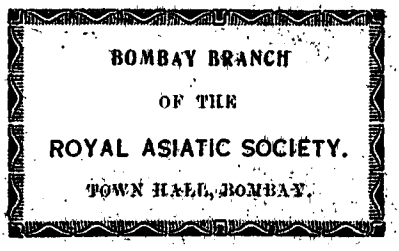

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Government of Bengal

Report of the Land Revenue Commission Bengal

Vol. V

Replies to the Commission's questionnaire by Government Officers and their oral evidence

Superintendent, Government Printing
Bengal Government Press, Alipore, Bengal
1941

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Reply by Mr. W. H. Nelson, C.S.I., I.C.S., Member, Board of Revenue, Bengal.

Q. 1. In talking of duties and obligations of the zamindar it is essential to distinguish between statutory duties which were laid on the zamindar and expectations regarding the results of the policy adopted. Their necessary duties have all been laid down by statute. Tenancy Act insures that they behave with "good faith and moderation" to raiyats.

The Permanent Settlement did not take away any of the rights of the tenants.

Q. 2. Permanent Settlement gave the zamindar power to choose his tenants initially on lands at his disposal. (VIII of 1793, section 52.)

Once settled he loses control of the land as practically all settlements are permanent. The tenant gets a permanent hereditary interest—a demise rather than a lease. (Bengal Tenancy Act, section 23.)

Q. 3. The landlords, including the very large body of small proprietors and tenure-holders, have played an enormous part in the general development of Bengal since the Permanent Settlement.

They have provided an upper and middle class who have readily assimilated western ideas and education. They have made possible the rapid development of local self-government and the extraordinarily rapid political development of the last few years. All Bengal's great men have (probably) been of this class. Economic development is not so striking. The country is mainly agricultural. Methods and implements remain the same. Still there has been since the Permanent Settlement continuous progress in agricultural prosperity accompanied by great extension of cultivation and rapid growth of population. Agricultural prosperity and extension of cultivation is not due to anything the landlords have done. Presumably they did what they could to extend cultivation as extension was greatly to their interest.

I do not think they have failed to perform the functions expected of them. I should say that the expectations of the Permanent Settlement had been fulfilled.

Q. 4. There was a great controversy about this in the years preceding the Permanent Settlement. (*See* Shore's Minute of 2nd April 1788, quoted in Harington's Analysis, p. 228 onwards.)

There is no doubt whatever that the landlords were proprietors of the soil.

Property in the soil in Bengal is seldom absolute. The only absolute proprietor is a small revenue-free holder who holds his entire grant in his own possession.

The zamindar's property is subject to payment of revenue.

In order to arrange for cultivation and management he may grant a lease to a patnidar or other dependent talukdar. This is a demise rather than a lease. The talukdar gets a permanent hereditary transferable interest. The zamindar has parted with the land for ever. His property rights are represented by the annual rent he receives. Very much in the same way as settlement with a cultivating raiyat is a demise rather than a lease. The raiyat acquires a permanent hereditable transferable property and the land ordinarily goes out of the zamindar's possession and control for ever. [Sections 23, 26, 26B, 178 (1) (*g*); 178 (3) (*a*), (*b*), (*c*) and (*d*) Bengal Tenancy Act.]

It is possible to measure the property of the different grades of properietors in terms of money. For the sake of illustration assume that—

Government revenue is Re. 1 per acre;

Patni rent Rs. 2 per acre; and

Raiyat's rent Rs. 3 per acre.

Assume the value of the produce is Rs. 40 and the economic rent Rs. 15. Economic rent means the difference between the gross produce and the sum which compensates the raiyat for his labour, seed, manure, cost and depreciation of cattle and implements, interest on capital employed and all legitimate outgoings. Then the proprietary rights of the raiyat are measured by an annuity of Rs. 15—Rs. 3 = Rs. 12, of the patnidar by an annuity of Re. 1; of the zamindar by an annuity of Re. 1; and of the Government by an annuity of Re. 1 per acre.

Q. 5. The raiyats were not necessary parties to the Permanent Settlement contract between the Government and the landlords.

In the question perhaps 'tenants' should read 'raiyats'. The rights of dependent talukdars were secured by statute at the Permanent Settlement (VIII of 1793, section 51). The rights of raiyats were not secured by statute but by custom. Legislation for the purpose was foreshadowed in Regulation I of 1793. The rights of raiyats had been considered. (Harington, Vol. 3, p. 458.) The custom governing raiyats' rights was embodied in Statute in 1859 and 1885. The Tenancy Law of Bengal is to be looked on as part of the Permanent Settlement.

If we use the term Permanent Settlement to include the law for the protection of raiyats which sprang directly from the legislation of 1795 then it is possible to maintain that the principal gainers from the Permanent Settlement are the raiyats and not the zamindars.

The raiyat is the real zamindar—he appropriates 80 per cent. of the unearned increment of the soil. This is due to the principle settled in the Great Rent Case and the success of the restrictions on enhancement. I am speaking of enhancement proper and excluding abwab

and illegal exactions which are not fixed charges. They were important in the past but soon will be entirely a thing of the past. Abwab was no doubt a substitute for enhancement. Zamindars did not regularly take advantage of the law about enhancement; and the record-of-rights reveals many tenants getting the benefit of the presumption in section 50 (2), Bengal Tenancy Act.

Had there been no Permanent Settlement all the estates of Bengal would have been temporarily settled with their proprietors continuing the practice that then existed.

It is possible that had there been land revenue and rent settlements at regular periods throughout the province since 1793 the tenants would be paying a higher average rent than they are paying now. (*See* Statement IX.) I do not go by the statement entirely: it is misleading for comparison as most of the large khas mahals are in the most fertile districts of the province—Chittagong, Noakhali, Bakarganj, 24-Parganas, Midnapore. But I should say there would have been a more level incidence and a considerably higher average.

The phrase "permanently crippled the financial resources of the country" is an exaggeration.

Q. 6. This question cannot be answered with any exactness. I believe that in the first half of the 19th century there was great competition amongst landlords for tenants. As prosperity increased the populations grew; more land was brought into cultivation and this again led to increased population; and this again to increased demand for land.

After conditions settled down to an era of agricultural prosperity the main stimulus to increase of cultivation came from the raiyats. The raiyats have most to gain from increase of cultivation.

Q. 7. The fiugure of 3 crores for the rent roll at the time of the Permanent Settlement rests I believe on returns filed by the zamindars themselves. It is more than probable that they would understate their rent roll if they thought they could escape detection. The present rent roll of 12 crores is less than what one would expect. Paddy sold for annas 8 a maund in 1793 and is now Rs. 2 a maund. The rent roll expressed in terms of paddy is the same as it was in 1793. This takes no account of the increase in cultivation. I have no idea of the extent to which cultivation has increased since 1793. But the figures suggest that the incidence of rent now is much less than it was in 1793.

Obviously enhancement judged from the average has been moderate.

Q. 8. Yes. The Tenancy Act has secured this.

Q. 9. I find it difficult to understand this question.

There is only one criterion of an improved estate—an improved rent roll.

An improved rent roll may be procured by extension of cultivation or by enhancement of rents. The limit of extension of cultivation has long been reached.

Is it the intention to reproach the landlords for not enhancing rents?

Extension of cultivation was not a duty laid on the landlords—it was an expectation which naturally arose from the terms of the settlement and which has been fulfiled.

Q. 10. By the Permanent Settlement the State has lost revenue. But apparently nothing like so much as is sometimes suggested.

Statement IV indicates that if temporary settlements had continued the State would have been getting 12 annas an acre instead of 9 annas from the total area now permanently settled. An extra 73·75 lakhs.

Comparing the figures in Statement IX and Statement IV it appears that in temporarily settled estates landlords of all grades receive Rs. 4-6 as rent and pay not more than Re. 1-4 as revenue per acre. They therefore appropriate Rs. 3-2 per acre. In permanently settled estates they appropriate on the average less than Rs. 2-7 per acre of the average rent of Rs. 3 per acre paid by the raiyat.

From Statement IX, I conclude that *prima facie* the raiyats on the average are better off with a Permanent Sttlement.

If the above conclusions are reliable the State has been losing about 73 lakhs a year less the considerable cost of a settlement establishment large enough to cover the whole province in 15 years. This sum has been spent in subsidising a leisured class which has made great contributions to the social, political, artistic and economic life of the province.

Q. 11. (*i*) It has already been shown that this is an exaggeration. The raiyat appropriates about 80 per cent. of the unearned increment. Out of the balance the zamindar gets about 70 per cent. and the State 30 per cent.

(*ii*) The Permanent Settlement has encouraged subinfeudation. Is it certain that subinfeudation is a bad thing? Subinfeudation cannot be prevented and is encouraged when the public assessment is moderate. In Bengal creation of a tenancy is equivalent to a sale.

Freedom of transfer covers both sub-lease and sale.

(*iii*) The figures suggest that enhancement has been moderate.

(*iv*) There are good landlords and bad landlords. I should say that the landlord who acted as an overlord was usually a good landlord. Mild harassment and oppression used to be common almost entirely in

the form of illegal exactions. The chief sinners are the subordinate collecting staff who are prone to abuse their authority. Slackness is more common than tyranny.

Q. 12. I do not advocate the abolition of the Permanent Settlement on any of these grounds.

If you want to get rid of the zamindari system you must compensate them. Logically you must buy out all zamindars and tenure-holders.

Looked on simply as a business transanction this would be most inadvisable. It would almost certainly result in a loss. All high rents would have to be reduced; it is not certain that low rents can be increased. In fact, the present condition of the market for land suggests it would be a very bad investment for the State or for any one to purchase zamindari at the present time.

The root of the matter seems to be that the Tenants' Party feels that the rights of the zamindars stand in the way of reduction of rent. If reduction of rent is the ultimate aim then to buy out the landlords on the basis of their existing rent roll would mean a huge loss. The proposal to revert to temporary settlements has little to recommend it.

Are the raiyats prepared to submit to a general settlement of rents? This would entail cutting down high rents and enhancing low rents throughout the province.

The complex tenure system is a grave difficulty.

Compensation would have to be given to proprietors and tenure-holders on the basis of existing profits. It would be extremely difficult to assess compensation.

Cost of the settlement establishment necessary to bring the whole province under Land Revenue Settlement in a 15-year cycle would be very high.

Q. 23. Occupany right of raiyats was a customary right long before it became a statutory right.

Q. 24. The occupancy raiyat always had proprietary rights. He was of course not the sole outright proprietor. His proprietary rights have gradually been defined in—

Act X of 1859.

Great Rent Case 1865.

Act VIII of 1885.

Act IV of 1928.

Act VI of 1938.

The whole scheme of tenancy legislation 1793-1938 is based on the fact that an occupancy raiyat has proprietary rights. Every section

in Chapter V defines or secures a proprietary right. Under section 65 his proprietary right is security for his rent.

Q. 25. I am doubtful about extending the grant of rights of occupancy to more than one grade of tenant.

I see no reason why there should not be freedom of contract below the grade of raiyat. This does not rule out occupancy rights—it would be left to contract and custom.

Section 48G, B. T. Act, gives occupancy rights to people who have them by custom.

Section 48C, B. T. Act, is sufficient protection for under-raiyats.

It is not essential that the actual cultivator not being the raiyat should have occupancy rights by statute. He can get them from the raiyat by paying for them.

Q. 27. No. No.

Q. 32. No. They need no protection. They pay the full competition rent for the land.

Q. 33. I think the barga system is necessary.

Q. 34. There is no use giving occupancy rights to bargadars. As they pay the full competition rent their rights in the land are worth exactly nothing.

Q. 35. This is a difficult question.

If land is very fertile a barga tenancy may be profitable, e.g., there is nothing to choose between rent free land producing 12 maunds an acre and barga land producing 24 maunds.

I suggest that the bargadar might get the first 8 maunds and after that 1/3rd of the crop.

Q. 37. It is not possible to forbid transfer except to agriculturists.

Q. 38. 5 acres. But I am not sure what "economic holding" means. 5 acres of ordinary land producing about 18 maunds per acre will support the normal family (5) and can be cultivated without assistance of hired labour.

Q. 39. (*a*) Holdings are aften small but an individual usually holds several.

(*b*) Probably.

Q. 40. There is no practical remedy.

Q. 42. I am not sure that accumulation of large areas in one hand is undesirable.

Q. 52. If one had a free hand in revising all rents in Bengal the correct principle would be to fix the rent as a certain proportion of the economic rent.

The economic rent is the surplus after giving the cultivator a living wage and paying all expenses of cultivation. In a sense then, the proper maintenance of the cultivator is the first charge on the land and the rent comes out of the surplus. The economic rent has to be fixed on the supposition that the cultivator is fully employed—that he has enough land to occupy him fully.

The difficulty is to determine the economic rent. To calculate the price of the average gross produce and subtract a sum equal to the cost of the cultivators' labour and all the expenses of cultivation is not practicable.

There are various ways however in which we can get an approximation. The highest competitive rent for similar land in the neighbourhood is probably something near the economic rent.

The actual rent plus interest on the price of similar land in the vicinity is a guide, e.g., the rent is Rs. 3 per acre and similar land sells for Rs. 100 per acre. The full rent is then Rs. 3 + 6 = Rs. 9, taking interest at 6 per cent. 6 per cent is a very moderate figure to take; the rate at which the raiyat can borrow in the locality is the proper figure.

A share of the produce is an unsatisfactory method of fixing rent.

Beyond a certain outturn the economic rent rises very rapidly. Assume that a cultivator can make a fair living by cultivating a sufficient quantity of land bearing 12 maunds of paddy per acre but has nothing to spare and assume that the cost of cultivation remains the same whatever the outturn; then the rent of land producing—

	Mds.		Rs.
12 maunds per acre is	Nil		..
14 maunds per acre is	2	=	4
16 maunds per acre is	4	=	8
20 maunds per acre is	8	=	16

Every additional maund above 12 goes entirely to increase the economic rent.

As rent is paid in money it is essential to adjust the rent continually to the price of crops.

It is hardly conceivable that we should ever have a free hand in adjusting all rents in Bengal. In any case the theory above would have to be reduced in practice to something like this—

	Per acre. Rs. a.
Up to 15 maunds per acre	... 3 0
15—20 maunds per acre	... 4 8
Over 20 maunds per acre	... 6 0

Q. 53. Present rents are not based on any general principles. We have—

(*a*) Old customary rents fixed long ago. In Hooghly and Howrah they are as much as Rs. 6 an acre. In other places they are much less.

(*b*) Rents fixed at a time when land was being brought under cultivation and there was a demand for cultivators, e.g., in Mymensingh often Rs. 2 an acre or less for valuable land.

(*c*) Rents in the neighbourhood of towns which have been forced up by competition.

(*d*) Rents settled during the jute boom. Rents of Rs. 20 or more an acre have been reported from Pabna.

(*e*) Rents in recently settled areas. In Sundarban lots Rs. 6 per acre is the prevailing rate.

(*f*) Rents for special crops, e.g., mulberry, though mulberry is no longer grown.

Except in new chars there is seldom occasion to fixed initial rents on a wide scale. In temporarily settled estates rents are periodically adjusted.

In fixing rents originally I think custom is the main element. Settlement made more or less at the current local rate. The capitalized value of the difference between the customary rent and the true rent is taken as salami.

Q. 55. I would recommend a readjustment mainly to equalize the incidence of rent. It could not be done without a revision of the record-of-rights and very careful and detailed local inquiries and inspection of crops.

Q. 57. Rent should be alterable at intervals of ordinarily not less than 15 years and not more than 20 years, but might be reduced in case of a marked fall in prices within these periods.

Q. 58. I would not recommend an income-tax on profits. All lands should pay rent.

Q. 59. I do not think the principles and procedure are defective. The present law is that the existing rent is fair and equitable.

Q. 62. Tenants who require their whole crops for their own consumption must submit to enhancement—the same as any one else. All raiyats must be treated alike in the matter of enhancement and payment of rent whether they own 1,000 acres or 1 acre.

Q. 63. There is some difference in the theory of rent in a private estate and in a Government estate.

In a private estate old rents can be adjusted under section 30 (*b*) or 38, B. T. Act, at intervals. New rents are entirely a matter of contract.

In a Crown estate the correct theory is that rent is a tax and at each revision the Crown has a free hand. There are certain principles which govern enhancement of rents in both cases; there are also principles of taxation which govern rents in a Crown estate—especially equality of incidence.

In Crown estates equality of incidence is important. In a private estate the landlord is only concerned to get the maximum legal rent in each particular case.

If the whole province became a Crown estate rent would become a tax and equality of incidence would be necessary.

I doubt whether the principle of prevailing rates is applicable to private estates nowadays.

Q. 64. There is a provision for reducing rents. (Section 38, B. T. Act.)

I doubt if a provision for limiting rents at new settlements would be effective.

Q. 67. Yes. Settlements of revenue are made with this object.

Q. 68. No.

Q. 69. In theory justifiable—in practice wrong—but it depends on the facts of each case.

Q. 71. In most permanently settled estates the rent roll is more than double and may be twenty times the revenue. The zamindar is not going to give remission of Rs. 1,000 to earn remission of Rs. 100. So he does not ask for remission of revenue.

It is seldom necessary to grant remission in khas mahal areas in Bengal. I do not think it is true to say that remission is not ordinarily given to a sufficient extent in khas mahals.

Rule 197, Tauzi Manual, gives the scale used.

Q. 81. Yes.

Assuming one man with his family (5 in all) can cultivate 5 acres and that there are 500 cultivated acres per square mile, we get that 500 per square mile is a sufficient agricultural population.

Oral evidence of Mr. W. H. Nelson, C.S.I., I.C.S., Member, Board of Revenue, Bengal, on 6th February 1939.

Before the proceedings commenced the Chairman referred to the news of Mr. J. B. Kindersley's sudden death. He recalled the valuable

services which Mr. Kindersley had rendered to Government and at his instance a resolution of condolence was moved by the Maharajadhiraja Bahadur of Burdwan and seconded by Khan Bahadur Abdul Momin. The members then stood in silence in memory of Mr. Kindersley. It was also resolved to address a letter to Mrs. Kindersley, conveying the Commission's sympathy in her bereavement.

In reply to the Chairman, Mr. Nelson said that originally the zamindars were denied the right of making settlements beyond a period of ten years, but in practice they made settlements of a permanent nature, and later, it was conceded that they had the right to do so under the Patni Regulation.

The Permanent Settlement Regulation laid down that they were to act with "good faith and moderation" towards their tenants. It was true that for more than fifty years after the Permanent Settlement there was no tenancy legislation to protect he interests of the tenants; that was a period during which the zamindars were fighting for their existence against the Sale Laws, and had to get Government support to strengthen their hands against the raiyats by giving powers of distraint.

The Chairman then referred to the "Government of India's Land Revenue Policy" which indicated that there had been rack-renting. Mr. Nelson said that this was true to some extent. Prior to the tenancy legislation, most raiyats were only recognized as tenants-at-will, and the zamindars had a free hand in selecting their tenants, subject to custom. These powers eventually led to an agitation for greater protection of the raiyats.

Generally speaking, he was of opinion that as population has increased, there has been a continuous increase of agricultural prosperity, and the condition of the tenants to-day is undoubtedly better than what it was at the time of the Permanent Settlement.

It was his impression that at the Permanent Settlement the raiyats were paying as much rent as they could afford to, i.e., as much as the land could bear.

Broadly speaking, he thought the expectations of the Permanent Settlement have been fulfilled.

Asked whether there was any analogy between the landlords in Great Britain and those in Bengal, he pointed out that property in India is different from property in England. The landlords in Bengal had certainly not behaved like English landlords, as Lord Cornwallis had hoped they would. But he thought it incorrect to say that landlords in Bengal had done nothing to improve their estates and mentioned the excavation of tanks in West Bengal as an instance of the fact that the landlords in Bengal have taken an interest in the improvement of agriculture. He would not say that they have done a great deal, and

if it was an expectation that they should improve their estates in the same way as the landlords in England have done, then that expectation has not been fulfilled.

The position of the raiyats had not materially changed at the time when tenancy legislation was first introduced, although it had probably improved with the rise in prices.

He thought that abwabs will very soon be a thing of the past, though payments in the nature of tips, i.e., small gratuities to the collection staff, will never be stopped as they are more or less voluntary payments. He agreed that the tenants are sometimes defrauded over weights in the case of produce rents but he considered that they are in a stronger position to-day to resist. The day is over when impositions like levies for marriage ceremonies can be realised. Cases are very rarely brought by tenants against landlords' agents for exacting abwabs, because individually the tenants are not strong enough to stand against the zamindars.

Regarding question 7, he said that the average rent paid by the raiyats in terms of produce is less to-day than what it was at the time of the Permanent Settlement.

Referring to his answer to question 9, he said that in "improved rent roll" he included security that rent will be regularly collected, and cited instances where landlords had made such improvements as are implied in the question. He maintained that an improved rent roll is a necessary criterion of an improved estate.

He thought it difficult to say whether tenants in permanently settled areas are better or worse off than khas mahal tenants; but comparing their average rent with that in temporarily settled estates and khas mahals, the raiyats in permanently settled areas are *prima facie* better off in the sense that they pay a lower average rent.

In some temporarily settled areas Government has effected very large improvements, e.g., in the Duars, and in the Sundarbans where embankments have been built. Though the level of khas mahal rent appears to be higher than that in permanently settled areas it is not certain that the tenants are actually paying a higher rent, because most of the khas mahal lies in the most fertile part of Bengal.

He did not wish to suggest that the Permanent Settlement was the best possible arrangement that could be made, but it had worked well, and the raiyats have undoubtedly gained in the long run. Since 1859 their position has become progressively stronger, and to-day they are in a very strong position indeed.

His reply to question 11 was based on a hypothetical instance. He explained "unearned increment" which, he said, depended on the theory of rent. A cultivator gets more out of land than he puts in, and his income from the produce exceeds all outgoings in the form of cost of

cultivation, labour, etc. Economic rent is the difference between the two, and the present level of rent is much below the economic rent. There are various indications of the economic rent, such as the price the raiyat is willing to pay. Pressure of population, he agreed, is a very important question and one which will become increasingly important in the future.

He considered that *bona fide* subinfeudation is not necessarily an evil. When a zamindar grants a patni or permanent tenure, he practically parts with his land;—it is more than a mere lease, it is almost equivalent to a sale;—it is a demise for all time.

People in the mufassal who are fairly well-to-do, and other middle-class people who have made some money, generally invest in land. These people are useful because they are interested in the development of the locality, although they are largely rent-receivers. The system has produced a middle class which is an asset to the province and conditions in India being what they are, it is difficult to imagine how things could be otherwise. Restriction of the Government demand tends to create a large margin for subinfeudation. Conditions are not the same elsewhere as in Bengal. The system is a delegation of responsibility, which is ultimately fixed on the permanent tenure-holder above the cultivator. But if he is a small man, his responsibility is less.

On the whole he was in favour of retaining the Permanent Settlement. It has worked well on the whole, and it is not possible to obliterate the results of a system lasting a century and a half. There must be some continuity and one could not break entirely with the past.

State purchase of zamindaris would be unprofitable, and subsequent enhancements of rent would not be practical politics. But it would not be right on the part of the State to undertake such an operation merely with the object of making a profit; there must be other grounds of policy.

It is an exaggeration to say that the Permanent Settlement has crippled the finances of the province, but he agreed that had temporary settlements continued, Government would be getting more land revenue to-day.

If it were decided to buy out the zamindaris, they would certainly have to be compensated. This, he thought, would probably be an unprofitable proposition for Government. In order to compensate them according to the scale of the Land Acquisition Act, they would have to be given 15 per cent. above the sum payable on account of the value of their estates. All permanent tenure-holders, at fixed rents, would also have to be bought out. It is not essential that Government should be directly above the raiyats. There are tenure-holders in the khas mahals, and there is no particular reason why tenure-holders, whose rent is enhancible, should be bought out.

He could offer no practical solution to the problem of uneconomic holdings and fragmentation which has resulted from the laws of inheritance. The esssence of the problem is that rent is a tax on land. The lighter the tax, the more people have; but as population increases, and more people have to be maintained out of the produce a demand arises for reduced rent. But every reduction might lead to a demand for further reduction, and in process of time people might even require to be given the cost of cultivation. The only solution is to fix a moderate rent and insist on its regular payment. He did not apprehend a social breakdown in the next 20 years or so. Bengal, he thought, will go on as she has done for a long time, but political difficulties might arise from the fact that the source of subsistence of the majority of the population is being taxed. The proper land policy should however be a moderate rent and insistence on regular payment. People with uneconomic holdings who are unable to pay their rent cannot be helped. Interference with the laws of inheritance will not really affect the problem. So long as the population increases it makes no difference whether they inherit or not; they have got to be provided for.

He thought that the barga system or something like it is necessary. There are people like widows and minors who cannot themselves cultivate. Bargadars are tenants-at-will. It is true that they may not put their best into the cultivation of barga land, but there is no reason why they should not prove to be good cultivators if they are properly supervised. It does not matter if they are given rights or not, because their rights are of no value. They are already paying the maximum economic rent for their land. They do not need to be protected. No one would turn out a good bargadar and nobody covets their rights or holdings.

He considered that a share of the produce is an unsatisfactory basis for fixing raiyati rent. It would be almost impossible to produce a rule of thumb which would provide a completely satisfactory method of fixing rent. Custom is the main ingredient in the level of rents. It governs rents in khas mahals in the sense that rents are fixed with reference to the existing rate, and the rate for similar lands in the neighbourhood.

It would be too revolutionary to substitute a tax on agricultural incomes for rent; but there might be no objection to the levy of such a tax in addition to rent.

In reply to Khan Bahadur Muazzamuddin Hosain he said that at the Permanent Settlement the khudkasht raiyats held at pargana rates. He thought that they were few in number. Khan Bahadur Muazzamuddin Hosain quoted from the Court of Directors' Despatch, dated the 19th September 1792, to indicate the intention that the rents

of raiyats were to be as permanent and secure as the revenue of the zamindars. Mr. Nelson said he did not know of such a statement.

He said there is no doubt that the effect of the Permanent Settlement has been to subsidise a middle class in Bengal. He did not agree that the Permanent Settlement has killed industry; it is a well-known fact that profits from investment in land are not high. The Khan Bahadur quoted from a Minute of Lord Cornwallis to show that the zamindars were not the proprietors of the soil. Mr. Nelson referred to his answer to question 4 and said that as soon as a zamindar let out land to another, he parted with the proprietary right.

The raiyats were a party to the Permanent Settlement, and Government held a power-of-attorney for them. The present Government might abolish the Permanent Settlement but they have not acquired the province "free from encumbrances."

The raiyats' rents are now fixed, and the only possible means of enhancement is on the ground of a rise in prices. It therefore follows that in terms of produce, the raiyats' rents are fixed. Rents were enhancible before the Permanent Settlement. Before 1859, there was no statutory ground or procedure for enhancement of rent. He was certain that pargana rates were enhancible. Before 1793 all rents were enhancible because the revenue was enhancible. As raiyats always resisted enhancements, it was easier to realise them in the form of abwabs. It is true that the Permanent Settlement has been a financial loss to Government—although he was not prepared to say to what extent. If temporary settlements had continued, the landlords would possibly have got a larger percentage of profits, as they do in the case of 99-year leases in the Sundarbans.

Between 1793 and 1859, the law did not specify the grounds for enhancement but there was no doubt whatever that raiyats' rents were enhancible. He imagined that the grounds of enhancement which were then legal were not the same as the grounds of enhancement nowadays, and that the quotation which the Khan Bahadur had made from the Court of Directors' Despatch was their opinion at the time. It was an admitted fact that a zamindar could improve his estate by growing more valuable crops, and if a raiyat grew such crops, e.g., mulberry instead of paddy, he was liable to have his rent enhanced. This ground for enhancement is not now admissible. In terms of produce the incidence of rent is much less nowadays than it was at the time of the Permanent Settlement.

He thought that the figure for the incidence of revenue in temporarily settled estates given in the Statements provided is very low,—possibly owing to the very small revenue that is still derived from some of the Sundarban estates.

The fact that a holding is very small does not mean that a tenant has no other land. He did not agree that tenants with small holdings should pay no rent. That theory overlooked the fact that the tenant holding an acre of land possesses property worth Rs. 200 or so.

He was not prepared to give an opinion whether the price of land has gone down or not.

It would be a complicated matter to calculate the compensation to the zamindars and tenure-holders if their rights were purchased by Government, but it might be possible to do so. Instead of purchasing, Government might experiment by taking a permanent lease of some zamindaris.

He could not say what would be the cost of establishing a computation branch similar to that of the Settlement Department.

An occupancy holding can be sold for anything up to Rs. 100 a bigha. That is what it is worth. The right of occupancy of a raiyat could be called a proprietary right inasmuch as it has its value, and is heritable and transferable.

He said he was not certain that subinfeudation is an evil. No legislation can defeat an economic law. If a man can make profit by subletting, he will certainly do so. Even if the law forbids it, he will find a way of evading the law. Occupancy rights have nothing to do with the tilling of the soil. Originally they were given to protect the raiyat, who was presumed to be the tiller of the soil, but tenure-holders also have occupancy rights. "Occupancy rights" mean that a man cannot be turned out except by civil suit—not even for non-payment of rent. The rights which a cultivator should get depend on several factors, such as the level of his rent and what was his contract. If he took a lease for two years, he may be turned out when it expires. He may also have rights by custom. He should not be protected simply because he is a tiller of the soil. A well-to-do raiyat has a right to be indolent if he wants to. If he can afford it, there is no reason why he should not sublet.

Asked whether his theory of economic rent was based on the assumption that a cultivator must first be given a living, Mr. Nelson said he had defined, not recommended, economic rent. The figures given by him were illustrative, and were based on the assumption that a tenant holds 5 acres. He did not agree that tenants having less than five acres should be exempted from payment of rent, and explained that he had merely taken a hypothetical case, when he assumed that 12 maunds per acre was the amount necessary to recoup the raiyat for his labour, and all other outgoings. Theoretically such land could not afford to pay rent. Land on the margin of profitable cultivation can afford to pay rent as soon as prices rise. The raiyats pay only a fraction of the economic rent, and should be able to pay it in bad or good years.

Rents have been enhancible by statute since 1859. He referred to the preamble of Act XI of 1859 which clearly shows that the customs existing at the time were simply codified.

He could not suggest a solution for the problem of uneconomic holdings. To give land to landless labourers or tenants with insufficient land would amount to charity. There is no reason why the State should give them land any more than it should give them bicycles. There is no practical solution for the problem of increasing population in agrarian legislation alone.

Rents are reducible under section 38, Bengal Tenancy Act, and should be reduced where they are too high, e.g., there are lands which used to grow valuable crops like mulberry and now grow paddy: the rents for mulberry were high and have not been reduced. In khas mahals the tendency has been to have a flat rate. This does no harm if the rents are moderate. The ideal method would be to assess each plot on its productivity but this would not be practical.

In 1859 and 1885 it was proposed that rents should be one-fourth of the produce. The difficulty about trying to prevent settlement at high rent is that a landlord can always realise salami, representing the capitalised value of the difference between the economic rent and the customary rent settled.

Rupees 15 or Rs. 20 an acre may be a perfectly legal rent, but Settlement Officers should have power to reduce high rents if they are held to be inequitable. As a matter of practical law, it cannot be said that a tenant holding insufficient land should hold it at a low rent. His rent must be governed by the general laws: nobody should get special terms. This did not mean that the revenue policy of Government should not take into consideration the economic condition of the people. What he said was that one should not take into account the circumstances of individuals.

The value of land cannot be affected by legislation. In his opinion, enhancement on the ground of rise in prices is perfectly fair. The fact that landlords are not responsible for the rise in prices does not affect the question. The present level of rent is so low that a raiyat can normally pay two years' rent from one year's crop. In khas mahals also the rent is moderate and it should rarely be necessary to grant remissions.

In reply to Khan Bahadur M. A. Momin, he said that remission in khas mahals has increased very much in the last year or two. In his opinion it was not entirely necessary. There is a regular system of remission in districts which are liable to famine. Bengal, broadly speaking, is not liable to famine. He entirely agreed that the correct policy is to collect as much arrear rent as possible every year and to remit the balance once for all.

He agreed it is difficult to say that zamindars should not grant remission where it is deserved, but according to their contract, the zamindars are not entitled to any remission from Government.

If the zamindars and tenure-holders are bought out, they will either spend the money or invest it. If they invest, they will naturally invest in land. That means that they would become owners of raiyati land. The result would be that many middle-class people would become raiyats under Government, and the actual cultivators would be those who would hold under them.

He agreed that as a general principle cultivators should have security. In the case of bargadars it is difficult to limit their share of the crop in such a way that they will have some interest in the land. A raiyat has got some land which he wants either to cultivate or to let out to a bargadar. There would not be any serious objection to a bargadar paying say 45 per cent. of the crop instead of 50 per cent.; but the principle remains that there must be somebody at the bottom of the scale who cannot sublet.

He would not insist that everybody below the raiyat should be governed by contract but saw no reason to the contrary.

If the zamindari and intermediate interests are bought out he doubted whether a happier state of things would ensue, because all the raiyats have votes and land would become a part of politics.

Regarding the comparative advantages of tenants in khas mahals and under zamindari management he said it is the fashion nowadays to say that a tenant under a landlord is better off because a private landlord has no certificate powers, and sometimes tenants are allowed to get into arrears for 4 years or so. Personally he thought that the khas mahal raiyat is probably better off.

He doubted whether the purchase of zamindaris and tenures would be a source of profit to the State.

In his opinion it is not legitimate for the State to undertake such an enterprise simply in order to obtain increased revenue. That would be merely in the nature of a speculation. The State has no right to buy out a zamindar who is not willing to sell.

It the Permanent Settlement is really an economic evil, there might be a case for ending it, but the mere fact that it has impaired the resources of the province would not be a legitimate ground.

He did not consider it morally wrong that tenants' rents should be enhanced, and the whole increment should go to the zamindar.

He did not agree that before the Permanent Settlement, and after it until 1859, the rents of raiyats were unenhancible except for the

benefit of the State. Before 1793 there was no settlement of rent when a settlement of revenue was made. When settlements were made, the State simply enhanced the revenue and left the zamindar to make what he could.

Section 50 (*2*) of Bengal Tenancy Act is the theory of lost grant. Generally speaking all rents were enhancible. If one finds that a rent has not been enhanced for 20 years, then there is something curious about it. If rent has never been enhanced the presumption is that it is not enhancible. The point was considered at the time of the Permanent Settlement and the decision was that rent should be left to custom. That will be found in Harington's "Analysis."

Rents which were by custom unchangeable are still fixed.

In reply to the Maharajadhiraja Bahadur, he said that extension of cultivation was a natural process in the interest of both zamindars and tenants. The probability is that both parties are responsible for extending cultivation because it is so much to the interest of both. The expectation of the Permanent Settlement had more or less been fulfilled in this respect. Regulation VIII of 1819 might be repealed, but not with retrospective effect.

On the whole he was not in favour of giving one month's time to the zamindars for payment of revenue, in the same way that this concession is allowed to patnidars. On principle he was against any relaxation of the Sale Law.

If the whole province became a khas mahal the occupancy raiyats would become landlords and would be free to sublet to under-tenants. Nothing would prevent subletting, and if occupancy rights were given to all under-raiyats the result would be the existing system on a lower grade. He thought this was a reasonable criticism of the proposal to buy out the landlords. It is impossible to limit the size of raiyati holdings.

He could not recollect any case in which the gross rental is lower than the land revenue. If rents were to be reduced below the level of land revenue, then revenue would also have to be reduced. He agreed that in Burdwan the incidence of revenue is high.

He considered that when there is a serious fall in prices, reduction of rent is much more important and urgent than enhancement of rent when there is a rise in prices, because the landlord can wait for his enhancement, but the raiyat cannot afford to wait for a reduction.

Rents are lower in Bengal than in any other province. This is clear when they are expressed in terms of produce and considered in relation to the gross produce of the land especially where they have

been reduced to produce rents. The grounds and procedure for enhancement of rent in the Acts of 1859 and 1885 were equitable, and it was for the benefit of the raiyats that the Acts regularised the whole procedure.

He was in favour of the simplest possible method of realising rent. The whole basis of the land revenue policy ought to be that moderate rents should be fixed and that they should be realised promptly.

Generally speaking, rent in Bengal is low: the average is a little more than Re. 1 per bigha.

In reply to Dr. R. K. Mukherji, he did not agree that the peasantry as a whole is insolvent, or that cultivation is unprofitable under present conditions. He could not suggest any remedy for the improvident who are growing poorer, and did not agree that the State has any responsibility in laying down the standard of an economic holding, or providing land up to that standard.

It was desirable that every family should have at least 5 acres of land. The larger the holding, the greater would be the profits, as the costs of cultivation would be proportionately less.

He agreed that fragmentation is undesirable, but thought that it is not possible to check it.

He was not in favour of reducing rents as a measure designed to assist the tenants. Rent is a very small fraction of their budget. He agreed that the general price level of all commodities should be taken into account as well as the price of paddy, but pointed out that paddy is still the main staple food crop. The level of prices has a greater effect on the incidence of rent than any other factor.

There can be no general rule fixing a proportion of the produce as a fair rent. If 1/6th is taken as the standard, the result would be that rent would be far too high in the poorer classes of land and far too low in the fertile classes. A fixed fraction of the produce is not a reliable guide. He thought that the Madras practice of taking half the net produce might be rather severe. The present level of rent in Bengal might be described as one anna in the rupee.

The barga system indicates that the maximum rent which the land can bear, is half the produce. Personally he would prefer an acre of barga land in a fertile area like Bakarganj to an acre of rent free land in an unfertile district like Bankura.

He would have no objection to a tax on agricultural incomes on income-tax principles, i.e., above certain limits.

Government is justified in spending a portion of its land revenue from the khas mahals on improvements there, because the raiyats stand in the position of tenants as well as tax-payers.

Section 38, Bengal Tenancy Act, provides for the reduction of rent. Produce rents are not affected by the changing prices of commodities.

If payment of rent in cash or kind is made optional, the tenants would all prefer to pay in cash when prices rise, and in produce when they fall. It would not be feasible to collect rent in kind on a large scale. State-marketing might be possible, but he was not an authority on the subject.

With some exceptions subinfeudation is practically universal in Bengal. There are of course many landlords who have a number of khas raiyats. The tendency to subinfeudation arises when rent is low and a profit can be made by subletting. Subinfeudation in itself is not an evil. In effect it has led to the distribution of wealth among a larger number of people.

Bengal is probably the richest province in India. This view is supported by the printed statistics showing the yield per acre.

(At this point Dr. R. K. Mukherji asked for a statement to show the amount of land revenue, i.e., intercepted by zamindars and tenure-holders. At the instance of the Chairman it was decided that on receipt of an official intimation from the Secretary giving details of the calculation required, Mr. Nelson would arrange with the Director of Land Records to supply the figures in due course.

In reply to Sir F. A. Sachse's suggestion Dr. Mukherji agreed that khas lands would be valued at the prevailing raiyati rents.)

In connection with the proposed purchase by Government of zamindaris and intermediate tenures Mr. Nelson did not agree that any distinction should be made between the original landlords with whom the Permanent Settlement was made and those who had purchased estates subsequently.

In reply to Khan Bahadur Hashem Ali Khan, he said although he had no definite data, he thought that the rents payable after the Permanent Settlement were the same as those just before. Compared to pre-Permanent Settlement days rents are at present lower in terms of paddy. The price of paddy was lower at the time of the Permanent Settlement possibly owing to the scarcity of money.

There can certainly be cases where rents have not been enhanced since the Permanent Settlement; but rents have always been enhancible, and from time to time have been enhanced.

So far as his information went, the yield per acre has not generally decreased since the Permanent Settlement. Fertility has decreased in some areas where rivers have silted up; in other areas it has definitely increased.

Generally speaking, tenants are far better off to-day than in 1793: they have now got a much higher standard of living and pay lower rents in terms of produce. Probably there was little debt at the time of the Permanent Settlement because the tenants had no security and consequently no credit. He could not say what is the total agricultural indebtedness to-day, but thought that in many places indebtedness is slight. He could not give a general figure for the average cost of cultivation per acre. He considered 5 acres should be a sufficient minimum for a man with a family of four or five to secure a reasonable living. He agreed that the cost of cultivation has gone up since the Permanent Settlement but was not sure if manuring was required at that time.

Prior to the Permanent Settlement there was no such thing as the road or public works cess. The zamindars were responsible for the roads and for the rural police. They were relieved of police duties at the Permanent Settlement. At the time of the Permanent Settlement the question for decision was whether the settlement should be permanently made or whether temporary settlement should be continued. The system of temporary settlement had more or less broken down at that time.

After revenue sales encumbrances are generally annulled. If there is no bid, Government can purchase for one rupee, and if a bid is made which does not cover the arrear, Collectors have powers to buy the estate for Government at that figure.

If the Permanent Settlement is abolished Government revenue would be increased, but it was very difficult to say exactly how much surplus would be available as it depended on so many factors such as the cost of acquisition, management, etc. On the whole he was not in favour of abolishing the Permanent Settlement, because with the Permanent Settlement people knew where they stood, whereas the alternative might prove hazardous. If the Permanent Settlement is retained, he could not suggest any means of increasing land revenue except from khas mahals and temporarily settled areas.

Rural credit has been disorganised by the Debt Settlement Boards, and during the last year or two the price of land has fallen to a great extent, as a result of which there has been a slump in the price of zamindaris. He could not say exactly what would be the purchase price to-day. He did not agree that the zamindars have done nothing to improve agriculture. The raiyats also have property in the land, and should also effect improvements on their holdings.

Once things settled down again there is no reason why people should not invest in land as before.

In reply to Sir F. A. Sachse, Mr. Nelson said he was under the impression that the majority of raiyats at the Permanent Settlement were tenants-at-will, i.e., the khudkasht raiyats were a minority. One gets the same impression from Regulation VII of 1822, and from the fact that there was a large number of migratory raiyats who wandered about from place to place looking for the best land. The khudkasht raiyats probably paid higher rents than the paikasht raiyats.

He agreed that most zamindari staff is underpaid, but mentioned that some zamindars have recently increased the salary of their staff. He doubted whether the collecting staff gets as much as annas four in the rupee now a days. It is true that they get something; he could not give the exact figure.

He explained that by "unearned increment" in his reply to question 11 he referred to the economic rent, i.e., the surplus over and above all costs of cultivation:—for example, if two holdings, otherwise equal, produce 12 and 20 maunds of paddy, and all the costs of cultivation are represented by 12 maunds, the economic rent of the latter holding would be the difference of 8 maunds, or Rs. 16.

He agreed that in giving tenants occupancy rights the legislation assumed them to be the actual tillers of the soil. To protect all grades of under-raiyats presupposes a sanction to subinfeudation, and an admission that the raiyat is holding at a very low rent. If there is room underneath him for several grades of under-raiyats, then he must be making too big a profit. Protection cannot be extended indefinitely: it has got to stop somewhere.

Until recently there never has been a serious fall in prices, and section 38 (*1*) (*b*), Bengal Tenancy Act, is only beginning to operate in Government estates.

There is no reason against the State bidding in revenue sales except that it rather implies that Government is investing in land. Government might try the experiment of taking permanent leases of some zamindaris. That could be done without much expense.

The existing rules do not give too much protection to separate accounts. It is difficult to avoid the large number of separate accounts. It would be much better to make it obligatory for landlords to keep their own accounts, and to appoint common agents. The main difficulty is that they do not trust one another.

When a tenant gets into arrears all reasonable means should be taken to make him pay as soon as possible, provided the rent is fair.

If the demand is fair it is easier to insist on punctual payment. Zamindars should be given something as near as possible to the certificate procedure.

Replying to the Secretary, he agreed that whereas reductions of rent under section 38 (*1*) (*b*), Bengal Tenancy Act, are now being made in khas mahals and temporarily settled estates, it is difficult for tenants in permanently settled estates to get similar reductions because the Civil Court procedure is cumbrous and expensive. He was in favour of having a cheap and summary agency—preferably Revenue Officers. Civil Court procedure for the recovery of arrear rents is also slow and expensive. Provided that the rents are fair, the landlords should be allowed something like certificate procedure, and the object should be to enforce it after each harvest.

Replying to the Chairman, he said provided proper control is exercised, there would be no objection to allowing landlords something like certificate procedure. He thought that the court fees in rent suits, —particularly where the sum claimed is large,—are capable of reduction.

Memorandum by Mr. L. R. Fawcus, C.I.E., I.C.S., Commissioner, Dacca Division.

The vast field covered by the questionnaire makes it impossible, as I am sure the Commission realises, to deal with it all adequately in the intervals of other official work, and the question arises on what points can views be most usefully submitted. Personally I find the historical questions most interesting, and have reluctantly abandoned the idea of discussing them as I realise that mere "*ipse dixit*" views would be of little value unless reinforced by references to authorities and reports which I have neither the library nor the leisure to collate. The reluctance is less, however, owing to the fact that the Commission includes several members who themselves are probably the best living authorities on these questions.

Perhaps therefore the most useful form this note can take will be to discuss certain points of the questionnaire from the standpoint of actual experience gained in revenue work.

In question 19 it is asked in effect whether khas mahal tenants are better off than zamindars' tenants and whether they themselves consider it a benefit to have Government as their direct landlord. I should say "yes" definitely, in spite of the fact that while the certificate procedure was in force Government tenants had to pay their rent more promptly and regularly than the tenants of landlords who had not the benefit of this procedure. A khas mahal tenant always considers himself a privileged person owing to his connection through the tahsildar and Khas Mahal Officer with the Magistrate-Collector. For example in the not infrequent cases of dispute with neighbouring zamindari tenants over a fishery or an indefinite char land boundary, although the final decision is impartial, the Government tenant knows quite well that his case is going to be put up to the best advantage by the experienced Deputy Collector who looks after the khas mahals and if the worst comes to the worst and a civil suit is filed his interests will be fully looked after by Government.

Again in the question of abwabs, in spite of the increasing stringency of their legal prohibition, the khas mahal tenant always has been and still is less liable to these exactions than the zamindar's tenants.

Remission and suspension of rent in case of real natural calamities is more promptly and freely given by Government than by most private landlords and this more than counterbalances the capricious relaxations in the matter of rent which the latter give to useful or favourite tenants.

A programme of improvements in such matters as water supply or educational facilities is the rule in Government estates—but the exception in zamindari mahals, and though Government peons are by no

means beyond reproach, the little finger of the *burkandaz* used to be—and in out of the way places probably still is—thicker than the peons' loins.

Further instances could be cited and in spite of a denial of the fact which I recently heard given to the Commission by an experienced officer, I have little doubt that any tenant who was given the choice would prefer to hold his land directly under Government. I need hardly, in fairness to many landlords, add that such abuses or omissions as I have suggested to occur in their estates are generally to be laid at the door of their subordinate officers, though there have been unfortunately notorious exceptions.

Q. 22. In the case of purchase of zamindaris and tenures there should not be much difficulty in dealing with homestead and khas lands. The question arises in an analogous form often enough in settlement proceedings when it is decided for some reason to hold a temporarily settled mahal khas for a period of years or to give it in ijara. The owners pay rent for such lands like ordinary tenants at a valuation which will be covered in the event of Government purchase, by the compensation they will receive or as a matter of grace they may be permitted to hold them rent free. The main difficulty is, and presumably will be, the treatment of lands cultivated by bargadars which the zamindar or tenure-holder claims to be his khas khamar lands, but this is a problem with which Settlement Officers are familiar and it will not be hard to carry out whatever policy Government adopts for the treatment of these lands. Presumably the khas khamar claims will be narrowly scrutinised and their recognition strictly limited.

Q. 52 *et seq.* Much could be written on the principle of determining fair and equitable rents. The old idea of pargana rates has died hard. Presumably these rates were in their inception the rates at which tenants could be found to take up land when the competition was not for land but for tenants to settle on the land, and though tenancy legislation from the Rent Act of 1859 onwards has modified this conception of rent, the raiyats themselves still speak of the "গাঁয়ের নিরীখ" as something tangible and comprehensible to them, and Settlement Officers in fixing fair rents frequently take such village rates into their consideration. Under the physical conditions of Bengal economic rent is indefinable; the frequent changes of the courses of rivers and the building up of a deltaic area has left in innumerable villages alternate tracts of high and low land, and it stands to reason that in a dry year the low lands will bear the best crops while in a year of flood or heavy rainfall the high lands will be benefited and the low lands submerged into infertility. Actual value of produce thus becomes an unstable factor in estimating what annual rent a tenant can pay—and the village rate which generally varies according to the height of the land, represents more nearly what a tenant can pay for his land, averaging the chances

of a good crop over a number of years. Of comparatively recent years however competition for land, as noted above, has taken the place of competition for tenants and this has been the most powerful factor in modifying the old customary rates, and, in conjunction with the somewhat unsatisfactory procedure for raising the rent on the ground of a rise in the price of staple food crops, must have been an important factor in the economic deterioration of the tenantry. I speak of the latter ground for raising the rent as unsatisfactory, for although it is a fair enough procedure when the tenant can produce enough food crops to earn the cash value of them by sale of a considerable proportion, now-a-days holdings are so small, that in many cases the majority of the food crop is utilised for subsistence and a comparatively small amount, if any, is available as a money crop.

It follows from the above considerations that if an attempt were made to adjust rents on a fair and equitable scale throughout the province, probably the most satisfactory procedure would be to base them on Tables of Rates framed on the lines laid down in section 104B of the Bengal Tenancy Act—giving the Revenue Officer power to reduce existing rents so as to adopt them to the rate appropriate to the tenants holding.

In this connection the point raised in question 73 with regard to the decrease in productivity of the soil is relevant and interesting. Owing to the fluctuations in crop outturn attributable to natural causes to which I have referred above, also owing to the difficulty of making accurate deductions from crop cutting experiments, and the absence of comparative data extending over a long period conclusive proof on this subject is unattainable. Nevertheless the known geological and hydrographical facts of deltaic action of great rivers lead, I believe, inevitably to the conclusion that the fertility of the present area comprised in Bengal is decreasing and the rate of the decrease is a question which is assuming more and more importance as time goes on.

The course of the Ganges from the United Provinces to the confines of Bengal is more or less an east and west one between the Himalayas on the north and the hilly country of Chota Nagpur and Rajmahal to the south, the river being kept in an eastward course by the latter trammels. Once clear, however, of the eastern limits of these latter hills the river in past times followed the natural slope of the country southward to the sea and, as the Adhiganga (original Ganges) and the Bhagirathi, built up a delta comprising the present area of western Bengal. As this area was gradually raised the main Ganges stream has forsaken these old beds and has continued its eastward course building up central Bengal till it has met the two great southward flowing rivers, the Brahmaputra and the Meghna in eastern Bengal. No further eastward trend is possible as the hilly tracts adjacent to

Tippera obstruct it and the three great rivers the Ganges, the Meghna and the Brahmaputra are pouring silt, disintegrated from the heights of the Himalayas by the frost and rain prevalent there, into a sort of basin bounded on the west by the Chota Nagpur hills, on the east by the Tippera hills and on the north by the Himalayas. This process as far as can be humanly foreseen must build up the present jute and paddy growing areas of central and eastern Bengal into a less fertile and drier land analogous to the western Bengal districts and there is every likelihood that the process will go on with increasing rapidity as the saucer gets fuller and fuller. This is the process which logically must now be diminishing the productivity of the soil and, in spite of the considerable efforts which are being made by introduction of improved strains of crops and artificial fertilisers to improve the outturn, must eventually make it impossible for the vast agricultural population of the tract to gain even sustenance, let alone a comfortable livelihood, from their ancestral occupation. Nor is there any likelihood of a decrease of the pressure of population on the available land, for the laws of nature are exerting themselves to the detriment of Bengal in another way. Its warm humid climate has a direct twofold physiological effect. On the one hand it favours multiplication of the human race (as long ago as Vedic times the Bangas or Bengalis were spoken of as "the eaters of fish and the progenitors of many children"), and on the other hand owing to the above climatic conditions which are analogous to those of a bacteria culture tube—the germs of epidemic diseases such as Typhoid, Malaria and Cholera have found an environment in Bengal which has resulted in continual and devastating outbreaks of these diseases. So long these two forces of nature balanced each other; the climate produced and the climate destroyed. Within the past fifty years, however, the spread of scientific knowledge and successful sanitary precautions have neutralised the destroying force, but the creating force has continued unchecked—and indeed encouraged by the social opinions and customs of the people, and whereas, before, families of ten were born and four survived to eat the fruits of the land, now-a-days families of ten are born and seven survive to find that the fruits of the land are not sufficient for them. This then it would appear from the above considerations is the crux of the problem of the tenantry of Bengal—an inexorably diminishing fertility of the land and a steadily increasing pressure of population on it. The remedy, so far as remedy is possible, obviously lies to a great extent outside the scope of the revenue laws however drastically amended but in the amendment of them I would suggest that the cardinal point to be recognised and faced is that so long as the mountains stand where they do, and the rivers flow and the sun shines, the land of Bengal will become less and less able to support an agricultural population and that population less and less able to be as of old the main source of revenue to the province.

Oral evidence of Mr. L. R. Fawcus, C.I.E., I.C.S., Commissioner, Dacca Division, on 14th February 1939.

In reply to the Chairman, Mr. L. R. Fawcus said that he was definitely of opinion that tenants generally would prefer to come under Government. Provided that Government administration is properly carried out, he thought that it would be better for the tenants themselves and for agricultural economy.

He was surprised to hear that the average rent in Bengal is as little as 1/16th of the gross produce: he would have thought it was a larger proportion.

Under the present conditions he considered that rents could not be enhanced to any considerable extent and that in some places its incidence is too high. Roughly speaking, under-raiyats pay double the raiyati rent, and it is difficult for most of them to make a living.

In reply to the Chairman's question whether holdings are not too small, he said that the pressure of agricultural population is now too great. The economic conditions of cultivators are also affected by prices, e.g., if the price of jute rises to Rs. 8 they are reasonably well off, while if it falls to Rs. 3-8 they are badly off. Paddy he regarded as a subsistence crop and not as a money crop. It is not usual for most tenants to have a large surplus of paddy for sale.

He agreed that holdings have become too small and that the position may further deteriorate unless steps are taken to check the present tendency. The size of holdings could not however be altered unless the laws of inheritance are changed. Fragmentation through inheritance is a natural process. He would prefer to provide other occupations for the excess agricultural population rather than to interfere with the laws of inheritance. He mentioned that when the Royal Commission on Agriculture recommended consolidation of holdings he had considered the problem and come to the conclusion that there is no practical way of checking fragmentation resulting from inheritance.

As regards the latter part of his reply regarding the effect of deltas formed by large rivers, he said the fact must be faced that deterioration will continue except at the mouth of the delta where new land is being formed. It is probable that the same conditions will eventually prevail as now exist in the tract between the Tigris and the Euphrates rivers which even in historical times was a fertile area. He mentioned that the Bakarganj Settlement Report contained a sketch map showing the land round the Meghna as it had been formerly, as it was at the time of the Settlement, and as it might be in future years. In eastern Bengal the process will be the same as it has been in western Bengal, where the rivers have built up the land round them and produced deterioration in fertility.

In reply to Khan Bahadur Muazzamuddin Hosain, he said that by the phrase "the rate appropriate to the tenants' holdings" he was not referring to the size of holdings, i.e., whether holdings are economic or not, but to their productivity. In his opinion it was preferable to have rent fixed according to a table of rates rather than to fix it in relation to rise and fall in prices.

In reply to Dr. R. K. Mukherji, he did not agree that the khas mahal management is more mechanical and less humane than zamindari management. Mr. M. M. Stuart's Khas Mahal Report might express a different view from his own, but he adhered to his own opinion based on more than twenty years' revenue experience. There is a much closer relation between Government and its tenants than between an average landlord and his tenants.

He did not claim to be a scientific expert but he had studied geology and had written some articles on the subject. In his opinion it is very difficult to check the silting up of rivers. Government is now considering the problem of river training.

The cultivating classes are not seriously affected by the price of paddy: those who have to use the entire produce to feed their families are not in a position to sell any portion of it. The real economic difficulty is that the fertility of soil is tending to decrease while the population is steadily increasing. He agreed that even if improved methods of cultivation could be introduced they would not solve the problem so long as holdings remain too small.

The principal causes of the present economic conditions are:—

(1) natural causes, i.e., climatic conditions and delta formation;

(2) decrease of fertility; and

(3) pressure of population on the land and fragmentation of holdings.

There are also external factors which affect the economic condition of tenants in Bengal—e.g., the world depression of recent years which naturally had its repercussions in this country.

He was not in favour of payment of rent in kind instead of in cash.

In reply to Khan Bahadur Abdul Momin, he said that the tenants would prefer to come under Government but there would be considerable difficulties in buying out the landlords and intermediate tenure-holders and he thought that it would probably operate unfairly on the landlords. He agreed that it would not be impossible to have a raiyatwari system.

He doubted whether the removal of landlords and tenure-holders would result in a decrease in litigation: certainly the number of criminal

cases would not be affected. At present some khas tahsildars do their best to settle petty disputes, it is possible that there might be less litigation if the whole province became a khas mahal.

He could not say exactly what is the percentage of the cost of collection in khas mahals. He had not seen the latest Land Administration Report but the practice was always to aim at a maximum of 10 per cent. The cost of management ought to be less, if the State manages compact khas mahal blocks instead of scattered areas. The same principle will apply in a comparison of cost of management in Court of Wards' estates: some estates are compact, some are scattered.

He thought that there might be difficulties in the way of Collectors bidding for estates in revenue sales. It would hardly be possible for the Collector to have the same knowledge of the estates' financial possibilities as the persons who might be bidding against him.

Consolidation of holdings has been proposed by the Royal Commission on Agriculture but he had considered it at the time to be impracticable. He doubted whether consolidation would be easier if the landlords and tenure-holders are removed. Consolidation is not carried out at present in khas mahals and his experience is that tenants always cling to their ancestral holdings.

Generally speaking, rents are not capable of being increased now.

In reply to the Maharajadhiraja Bahadur of Burdwan he said there was no doubt whatever that enhancements of rent were made before the Permanent Settlement. The asal jama was the old assessment which had been fixed by Todar Mal, and subsequent to this many settlements had been made at which the asal jama was increased. In his opinion it would be a mistake to say that rents were fixed in perpetuity at the Permanent Settlement and could not be enhanced thereafter.

He would consider it unfair to the landlords to break up the zamindari system. His opinion that khas mahal management is better than zamindari management was made irrespective of the question of buying out the landlords.

He thought that it is a question for an actuary and not a Revenue Officer to decide what should be the fair rate of compensation if the landlords and tenure-holders are bought out. He hesitated to suggest any figure himself because he was not in a position to give any data in support.

If Government took a permanent lease of a zamindari it would be in the position of a permanent ijaradar under the landlord; the patnis and other tenures would continue and could not be annulled without paying compensation.

The proposal to take away the occupancy from the area transferred by raiyats would be an infringement on the right of transfer which is one of the incidence of occupancy right. It would also be taking away from individual enterprise. We protect aboriginal tenants from unthrifty transfers on the ground that they are not competent to look after their own interests, but the same ground would not hold good in other cases.

He agreed that in temporarily settled estates Government takes upto 70 per cent. of the assets as revenue. He could not say why the Saharanpur rules laid down by Lord Curzon in 1902 have not been followed in Bengal: these he believed, limit revenue to 50 per cent. of the assets.

He considered that the Government policy of effecting improvements in khas mahals is more regular than the improvements effected in zamindari estates. The latter are more in the nature of individual cases of munificence. Government has a regular programme of improvements which goes to the Board of Revenue for sanction, whereas improvements in zamindari estates are rather sporadic.

In reply to Sir Frederic Sachse, he agreed that if the Commission's figures showing the average value of produce are correct, then the average rent would be about 1/15th of the produce. If the value of the produce is only Rs. 30 an acre in some areas, rent would be about 1/10th of its value. He could not say if this proportion is smaller than in the other provinces.

If the price of jute remains at Rs. 8, the condition of the cultivator will certainly improve, but the increase in price will not entirely solve the economic problems. It is possible that the price of paddy may go up in sympathy with the price of jute. During the jute boom of 1925 the standard of living undoubtedly went up in eastern Bengal. Corrugated iron houses were erected by many tenants and now-a-days one can get biscuits and good tea in villages where there were certainly none twenty years ago. There is no doubt that the tenants have acquired a higher standard of living.

He agreed that there are tenants who pay as much as Rs. 10 an acre for land which grows only paddy in districts like Howrah and yet make a living in spite of the high rent. He thought, however, that much depends on the probability that the land in question will produce a good crop. In some Sundarban lots in Khulna the rent is Rs. 10 an acre but a similar rent would never be obtained in areas like Chandkhali where the success of the crop is not so certain.

Drought and floods are of regular occurrence in Bengal; three years ago relief had to be given in Dacca on account of drought and this year on account of flood. He agreed that owing to the floods in Pabna this

year the tenants might have been compelled to grow rabi crops which they would not otherwise have grown. He thought there was scope for extension of the cultivation of rabi crops in districts like Bakarganj and Chittagong. Kalai is not a money crop: it only just pays for the cost of labour. Rabi crops which would be good money crops are potatoes, tomatoes and tobacco. He agreed that as holdings are getting smaller and smaller, conditions are going from bad to worse.

He agreed that if the zamindars are bought out, it would be, on the whole, an advantage if the fisheries are taken over by Government, but legislation on subjects such as protection of fish would be of value even if the fisheries remain in the zamindars' hands. The fish industry is a useful standby in times of famine.

The process of delta building by big rivers might certainly provide more land along the coast of the Bay of Bengal, though that would not help tenants in districts like Mymensingh.

He thought that it will result in hardship if separate accounts are not allowed, because one co-sharer who is negligent in the payment of revenue would be able to make things much more difficult for the other co-sharers. Separate accounts should also be allowed to tenure-holders who are liable to be sold up under Act VII of 1868. Partition might solve the difficulty of separate accounts, but a more summary procedure would have to be introduced. Under the present system partition proceedings often take five or six years.

In reply to the Secretary he said that he had always been in favour of granting certificate procedure to zamindars and if certificate procedure is restored, he would certainly be in favour of extending it to them.

He agreed that reductions of rents, which are now being made in khas mahals and temporarily settled estates cannot be readily obtained by tenants in permanently settled estates because Civil Court procedure is expensive and cumbrous. He doubted, however, whether reductions could be effected by Revenue Officers because of the time involved in enquiring into individual cases. It would be simpler to carry out reductions under the section 105 procedure along with re-settlements.

In reply to Sir Frederic Sachse he said he was strongly of opinion that the record-of-rights should be kept up to date. Government can do so now by a notification under section 101, Bengal Tenancy Act. He believed the popular objection to a programme of district re-settlements is the fear of levy of recovery costs. If the province became a khas mahal, there is no doubt that the record-of-rights would have to be maintained.

Reply by Mr. F. W. Robertson, C.I.E., I.C.S. (Retd.), ex-Divisional Commissioner and ex-Settlement Officer.

Q. 1. The description of the duties and obligations of the zamindars after the Permanent Settlement was concluded as given in question 1 appears to be exhaustive.

Q. 6. In general the increase in area brought under cultivation since the Permanent Settlement is due to the increase in population and the enterprise of tenants and not to the initiative and the pecuniary or other assistance of the landlords.

Q. 7. The increase in the rent roll of the permanently settled area is due mainly to the increase in cultivation and to reclamation of waste lands and to some small extent to enhancement of rents.

Q. 11. (*ii*) It is doubtful whether the Permanent Settlement has been the direct cause of subinfeudation or whether it could have been prevented under any other system.

(*iii*) There has not been any great enhancement of raiyati rents.

Q. 16. State purchase of zamindaris would undoubtedly greatly affect the social structure of Bengal in that it would destroy the present landholders as a class.

Q. 17. If it is proposed to abolish the zamindari system it seems desirable that all interests between the zamindar and the raiyat should be abolished at the same time.

Q. 18. In the event of cultivating raiyats holding directly under Government by the purchase of zamindari and intermediate rights a very large and expensive organisation would be necessary to perform the duties of management and collection.

Q. 19. It is doubtful whether the raiyats would prefer to come under Government or that khas mahal raiyats enjoy any advantages over raiyats in private zamindaris.

Q. 20. The Permanent Settlement did undoubtedly encourage subinfeudation, but it is very doubtful whether subinfeudation could have been avoided under any other system.

Q. 25. I can see no reason why the right of occupancy should be confined to one class of tenant only.

Q. 29. The number of bargadars, etc., is in my opinion increasing. Landlords ordinarily endeavour to resettle lands which have come into their hands by purchase or otherwise on a produce rent.

Q. 35. One-fifth would seem to be a reasonable proportion on the produce to be paid by bargadars.

Q. 37. Experience in the Duars khas mahals of the Jalpaiguri district would go to show that it is impossible to restrict transfer to genuine agriculturists.

Q. 38. The size of an economic holding must vary according to the fertility of the soil and the number of crops which the soil can produce annually. Ordinarily from 4 to 5 acres would be the minimum size of an economic holding.

Q. 39. It is a fact that the size of many raiyati holdings is uneconomic. The laws of inheritance, the statutory rights of transfer and the increase in the population all tend to further subdivision and fragmentation of holdings.

Q. 40. Consolidation of holdings is certainly desirable, but there seems no practical way of achieving it except by settling with the raiyats of neighbouring lands such lands as may fall in the care of khas mahals and Wards estates.

Q. 46. There is no reason to suppose that the framers of the Permanent Settlement intended that rents or rates of rent should remain fixed for ever. To fix rents for ever would appear to be unreasonable in view of the fluctuation in the value of money.

Q. 49. I can see no reason for reducing rents of tenants. Existing rents are very low, mainly because the value of money has largely decreased. To benefit the cultivators what is required is to increase their capacity to pay.

Q. 53. Whatever may have been the original method of fixing rents, there can be little doubt that now in Bengal rents are lump rents.

Q. 55. In my opinion it would be most dangerous to interfere with the existing structure and to endeavour to readjust all rents.

Q. 56. It is difficult to give an opinon without an intensive study of the question. One-fifth of the produce has been regarded as a reasonable share of the produce to be paid as rent.

Q. 57. The statutory limit of 15 years would seem to be a reasonable period.

Q. 58. Undoubtedly the proportion of agriculturists liable to pay income tax on agricultural incomes would be small and the number would tend to diminish. This would be an objection to the proposal to substitute income-tax for the present system of land revenue.

Q. 61. There seems to be no objection to the principle of enhancement of rent on the ground of rise in prices. It is natural that rent should be enhanced as the value of money decreases.

Q. 62. I can see no reason for the proposal that no such enhancements should be given in the case of tenants who require the whole of their crops for their own consumption.

Q. 71. Such remissions are seldom given. The probable reason is that it is difficult if not impossible to secure that these remissions will be passed on to the tenants.

Q. 75. The only reason why the amounts spent by Government for improvements in khas mahals have been small of late years is the financial stringency.

Q. 89. The machinery available to the landlords for the realisation of their dues is certainly at present too costly and cumbrous. As long as these dues are admitted and are not in dispute it should not be compulsory for landlords to go to the Civil Courts to realise them.

Q. 90. Provided the Public Demands Recovery Act is judiciously administered under proper supervision there is no reason why it should prove either harassing or objectionable. When it has proved so it is almost always due to faulty administration.

Oral evidence of Mr. F. W. Robertson, C.I.E., Chairman, Public Service Commission, Bengal, on 10th February 1939.

In reply to the Chairman, Mr. Robertson said it is true that more subinfeudation exists in Bengal than elsewhere. When he said it was difficult to stop subinfeudation, he was thinking particularly of the Duars where Government had attempted to stop subinfeudation but had failed. He agreed that the large margin between the present average rents and the economic rent is one possible reason for subinfeudation, and another is that it is impossible to prevent land from passing into the hands of mahajans.

He said he was opposed to the State purchase of zamindaris and that it would not be a business proposition. He did not understand the object of the State purchase—if it was for the benefit of the cultivators, obviously it would be impossible to enhance rents. He thought that the landlords would probably be satisfied with 10 years' purchase. It might be possible to work out a scheme for the purchase of zamindaris and tenures so long as the rents are not reduced. Rents are at present very low and there is no case for a general reduction. There has not been a great deal of enhancement in permanently settled estates and the purchasing power of money has greatly decreased

since the Permanent Settlement. It would require an elaborate organization to convert the province into a khas mahal. He thought 8 per cent. would be too low a figure for management costs as overhead charges would increase. At present the Collectors supervise khas mahal work but if the whole province became a khas mahal, they would be unable to supervise the whole area and a special staff would be necessary. He mentioned that in the United Provinces, the system is to correct the maps and records in the fields while collection of rent is made. He could not say what is the supervising staff there.

He thought that the abolition of landlords would have an unfortunate effect on the social structure of the province. He agreed that most people invest money in land, and that it would be a good thing if they could be got to invest in industry.

The number of bargadars is on the increase. He considered it undersirable that the barga system should spread as it is uneconomic. He agreed that in many cases it results in occupancy raiyat going down in the social scale. He thought that half of the produce is too high a proportion, although in many cases landlords supply cattle and seeds. He thought it wrong that there should be such a wide difference between cash rents and produce rents. He had suggested one-fifth as that was the maximum under the commutation rules.

He agreed that holdings are decreaseing in size and will continue to do so as long as the laws of inheritance remain unchanged. He considered that it would be difficult to alter them. The agricultural population has increased and has nearly reached the maximum possible limit. In a short time there may be a danger of agrarian revolution. When similar conditions existed in Europe, there have been industrial revolutions and it has been possible to accommodate the people in towns, but he doubted whether that would be likely to happen in Bengal.

The average rent in Bengal is low. To reduce it from, say, Re. 1 to annas 12 a bigha would do no practical good to anybody. Progress is only possible if rents increase. Higher rent is an incentive to higher production but first of all the tenants' capacity to pay must be ensured. A programme of agricultural development by the State has become necessary.

The landlords have been finding it increasingly difficult to realise rent. Now-a-days they can go to Debt Settlement Boards for realisation of their rents but he did not know if that had effected any improvement. Certificate procedure is not unfair provided it is rightly administered. It has sometimes in the past been administered unsatisfactorily because Collectors had too much to do, and had naturally to depend on their subordinate officers. The procedure is good in

itself. It is also cheap, and desirable provided it is efficiently and properly administered.

In reply to the Maharajadhiraja Bahadur of Burdwan, he said he did not approve of subinfeudation. It tended to create a class of parasites—a kind of pensioners. He thought that when the value of money decreases, rent should increase and that this was a natural law. If the landlords are bought out the result might be that there will be a class of agricultural raiyat directly under the State provided the mahajans could be eliminated, but he agreed that many raiyats will not themselves cultivate. There would certainly be a class of raiyat who could give lands in barga or engage labourers. He did not support the suggestion that raiyats should lose their occupancy rights in land sublet by them: there is no reason why both the raiyat and the under-raiyat should not have occupancy rights. He was in favour of giving certificate procedure to all landlords and thought that it would work quite satisfactorily. Certificate Procedure can only be used when the rent claimed is admitted. He considered that the only possible method by which the State could raise more money was to tax agricultural incomes. He agreed that in temporarily settled estates the revenue is 60 or 70 per cent. of the assets, but he did not agree that no income-tax should be charged, or that it should be on a lower scale, in estates where the percentage of land revenue is high. He would not have a higher rate for estates where the percentage of revenue to the assets is only 30 per cent. but thought that income-tax would have to be imposed on the net income of the landlord. This might operate harshly in some cases but he did not think that the percentage of profit could be taken into account, because much of the land of the province had, since the Permanent Settlement, changed hands for good consideration, and it would not be fair to take into account the settlement made with the original proprietor.

In reply to Mr. B. K. Chowdhury, he said that the extension of cultivation was a matter of history. He thought it was due mainly to extension of cultivation by the tenants but it might vary from district to district. He doubted if there was any authority to show whether landlords or tenants were responsible for extending cultivation. It would vary from district to district and was entirely a matter of opinion.

In reply to Khan Bahadur Momin, he said that abolition of the Permanent Settlement would not do any good to anybody except that it would simplify the administration. The results, he said, would depend on the efficiency of the administration. He was not certain that it was desirable to bring the tenants directly under the Government. It was true that in some cases landlords and middlemen are parasites but ultimately it would not do any good to remove the landlords as a class. The efficiency of zamindari management varies. In

some districts, like Rangpur, they live on their estates—in other districts they do not. Some landlords undoubtedly benefit the community —others do not. Those landlords are most beneficial now-a-days who take an interest in local politics, for example, the Raja of Dighapatia and Raja Bahadur of Chakdighi who are Chairmen of District Boards. He agreed that the Permanent Settlement has resulted in financial loss but if landlords are removed, it is difficult to say whether it would be of real profit to the State unless it is known what rate of compensation is going to be paid to the zamindars. He thought that there will probably be a profit if compensation is paid at 10 years' purchase. He was not in favour of converting the Permanent Settlement to temporary settlements. He did not agree to the proposition that because the tenants were concerned with the extension of cultivation and the State had got no share in the increased assets, the State might morally appropriate a larger percentage of the revenue. That proposition was based on the premise that the present zemindars are the successors of those existing at the time of the Permanent Settlement. He did not agree that the result would be the same by introducing temporary settlements, and by imposing a tax on agricultural income, on the ground that increased income would come from the land in both cases. Temporary settlement would affect the zamindars, whereas a tax on agricultural income would affect tenure-holders also. He thought that if the zamindars were given the option of allowing the State to buy their zamindaris or of having temporary settlement or paying a tax on agricultural income, they would prefer to be bought out, but they would not agree to have the Permanent Settlement converted to a temporary settlement without compensation.

If the province became a khas mahal, collection charges would be higher on account of the increase of overhead charges. In Court of Wards estates, the collection costs, including law charges, are often 15 per cent. If the middlemen are eliminated it does not follow that all the raiyats will cultivate. Even now a proportion of them do not cultivate. He mentioned that during the cultivation season, there is a regular exodus from Bankura to Hooghly and Burdwan. He suggested one-fifth of the produce because that was the maximum payable under the commutation rules; but the value of the produce varies from district to district and some land produce two or even three crops. If the outturn in Bankura was calculated at 15 maunds an acre and the price of paddy at Rs. 2 a maund, he was not prepared to say that Rs. 6, i.e., one-fifth should be the maximum rent. The general average of rent is certainly lower than one-fifth. There might be cases where it is as high, but as a general rule it is much less.

He thought it very doubtful whether raiyats in permanently settled estates would prefer to come under Government. There can be no progress without enhancement of rents and he thought that it was true

as a general proposition that where rents are lowest the people are most backward. It is after all a question of supply and demand whether rents are high or low. He agreed that a simpler system was desirable in land revenue administration.

In reply to Khan Bahadur Hashem Ali Khan, he said that certificate procedure is used in khas mahal estates and had been used quite widely in permanently settled areas. When he was Commissioner, certificate powers were freely given to permanently settled proprietors. He thought that the tenant's attachment to the system of the Permanent Settlement is largely sentimental. They feel that they will get remissions from the landlords in bad years and such remissions have undoubtedly been given. Certificate procedure could safely be extended to all tenure-holders provided it was properly administered and only applied to rents which are admitted. The record-of-rights would have to be maintained in order to secure it. He agreed that if the value of money decreased, it is right in theory that revenue as well as rent should be increased. He also agreed that if the land administration system could be simplified, there would be a decrease in litigation. He suggested that the best way of improved prosperity is to increase the capacity of people to pay taxes. He would depend on the efficiency of the administration whether or not it would be a profitable transaction to buy out the landlords. He thought that there was little distinction between a raiyat who cultivates through bargadars and one who sublets on cash rent. One reason for subinfeudation is the difficulty that a raiyat finds in borrowing money. He agreed that it is desirable to check subinfeudation but thought it is practically impossible, and instanced the failure of Government to prevent the purchase of land in the Duars by non-agriculturists. He agreed on the whole there has been a tendency during the last 50 years for landlords to leave zamindaris and to live in towns.

In reply to Khan Bahadur M. Hosain he said that if the landlords are bought out, it is very problematic whether they will use the compensatory money they receive only to finance industry. He was not aware that the cost of management in raiyatwari areas in Madras is 8 per cent. but he thought that if the whole of Bengal became a khas mahal, there would be an increase in overhead charges and that the percentage would be higher. He said if it is desired to give occupancy rights to the "agriculturists" it would be very difficult to define the term exactly. In the Duars the definition of the word has been that the major portion of the agriculturists' income must be derived from agriculture, but that has not prevented purchase by mahajans. He thought that the agricultural system would be upset if in future purchase by non-agriculturists is prohibited and that it would be dangerous to restrict occupancy rights to the tillers

of the soil. In both cases, legislation on these lines would be very difficult to administer. If rents are never to be enhanced, all possible means of progress would be cut off. He was in favour of enhancement on the ground of rise in prices but as prices had decreased during the last ten years that was not now a possible ground. He thought that legislation to prevent all enhancements will do a great deal of harm to the country.

In reply to a quotation from a Despatch of the Court of Directors, dated September 1792, implying that the intention was to fix rent as well as revenue, he said he could not say what was the intention of the framers of the Permanent Settlement. In reply to another quotation from a Minute by Lord Cornwallis, he said that because Lord Cornwallis said something in 1793, it does not necessarily follow that it holds good to-day. Lord Cornwallis was not in a position to know what was the exact status of landlords and tenants. In practice it was impossible to find out whether remissions of revenue are passed on to the tenants. He thought that in the matter of remission, tenants in permanently settled estates are better off than in khas mahals. Landlords ordinarily give remissions in bad years and temper the wind to the shorn lamb more than the Government does. He thought legislation to enforce remission by landlords would be most unwise. It is much better to watch progress of events for some time before introducing legislation.

In reply to Dr. Mukherji, he said he did not know of any incentives which have been given by the landlords to the tenants to extend cultivation. Extension of cultivation is generally made by the tenants encroaching on neighbouring waste lands. It may be true that some landlords have brought in tenants from outside to cultivate waste lands and have given them land rent free for two to three years. The expectation at the time of the Permanent Settlement was that cultivation would extend because it was to the landlords' interest. Subinfeudation is general but not universal. There are good many landlords who have a number of khas raiyats. When he referred to landlords and middlemen as "parasites" his meaning was that by buying out intermediate interests, a number of landlords and tenure-holders would become parasites. If landlords were given certificate powers, the realisation of rent would be as punctual as in khas mahal estates. The bargadar's share varies probably between half and one-third depending on whether or not the landlord supplies cattle and seed. He thought that the payment of rent in kind would be a very retrograde step. If the value of produce falls by 50 per cent. and the price of the articles which the tenants have to purchase by only 10 per cent., that would not necessarily mean that the tenants are unable to pay rents in cash. Their present rent is so low that it makes no practical difference. If produce rents are fixed the tenants would be

worse off. He did not see how the State could interfere to prevent uneconomic holdings. If a man has 50 highas of land and after three generations his descendants hold uneconomic areas there is no means to prevent it: nor can the State prohibit the purchase of areas which are less than the size of economic holdings. If a man purchases one bigha that does not mean that he has not got other economic, holdings. The only possibility is to increase the tenants' paying capacity. He did not think it possible to interfere with the laws of inheritance and transfer. One way of improving matters is to increase the yield. The Co-operative Department should also help the tenants by providing marketing facilities. This is an important problem in rural areas. If a tax is imposed on agricultural incomes, a minimum would have to be fixed.

His statement that revenue as well as rent should increase if prices go up was a statement based on principle. It did not mean that he proposed to abolish the Permanent Settlement. He would only say that to that extent the Permanent Settlement was unwise.

In reply to Sir F. A. Sachse, he agreed that part of the salary of the Board of Revenue and Commissioners is included in the cost of khas mahal administration and that the cost of administering the whole province as a khas mahal would not be higher than that in the Court of Wards estates. The tahsildars would have compact areas. Only supervising officers would incur travelling allowance for their touring. This would be in the nature of touring within a settlement block. There would not be tours to distant and scattered areas, as in some Court of Wards estates. If the province becomes a khas mahal, it would be essential to maintain the record-of-rights. This might possibly be done in the same way as in the United Provinces. Government as landlord would be in a better position to check fragmentation of holdings and to bring about consolidation. The revision of the record-of-rights would not perhaps be very expensive as it might be carried out by a largely increased khas mahal staff. He agreed that a raiyat who has sublet part of his holding should not be penalised by taking away his occupancy right and thus encouraging him to let the land in barga.

Memorandum by Rai Bahadur B. B. Mukherjee, ex-Director of Land Records and Surveys, Bengal.

Q. 1. Should the Permanent Settlement remain or go?

Q. 2. Is State purchase desirable?

Q. 3. Is there any justification for completely demolishing the present society of Bengal who form the bulk of the tenure-holders and, if so, what is to be the substitute?

The three questions are inter-dependent, hence are taken up together. It is presumed that the first question implies that not only the fixity of revenue of the Permanent Settlement ought to go, but also the zamindari system, and that includes the intermediate tenures created as part of the system between the zamindars and the raiyat.

One has to remember that the zamindari system existed long before the advent of the British rule. It was recognised in all the discussions at and after the Permanent Settlement that there were at least two distinct classes of zamindars, one of whom included the territorial chiefs (such as the Maharajadhiraja of Burdwan, Maharaja of Susang) and the ancient landed families (such as the Natore Raj, the Dinajpore Raj and others).

This type was neither the creation of the British rule nor was it the result of the Permanent Settlement. The other type too had included many who though they might have come at varying times during the Moghul and Pathan supremacy were associated with land and the land-system for generations before the transfer of the Dewani (*see*, for example, the history of the Raj Nagar Raj in the Birbhum Final Report; of the Jemua Raj in the Murshidabad Final Report; of the Nadia Krishnagore Raj in the Nadia Final Report of settlement operations). The Permanent Settlement was devised not so much for the good of the zamindars as for reasons of State, to ensure stability in administration and certainty of revenue (Land Revenue was then as now the chief source of revenue of the State).

The latter was essential to save the State from bankruptcy on account of the growing demands on the resources for reasons of administration as well as for the profits of the East India Company. The assessment made was extremely high and had a disastrous effect on the zamindars. The rigour with which the revenue assessed at such a high pitch was realised ruined most of the old landed aristocracy, and only a few survived the onslaught by diverse ways of sub-letting, or parting with lands of the estate in blocks which were constituted into different revenue paying estates. The history of the land revenue administration at the time bears out in full the disastrous effects of the

assessment made. With the stability in administration ensured by the certainty of the main source of revenue, though brought about by painful consequences on the landed interest holders who undertook the certain payment; with the growth of population, and the general improvement in the country, the chaos was checked. The interest in land, which was the main economic urge round which society grew in India ever since the earliest days of history and through the Muhammadan regime which hardly made any radical change therein, reasserted itself. Rights in land grew up again, legal enactments clarified the positions and bettered the rights, and made them more dynamic and of more value; and during these 150 years land rights developed into the main sources of investment and as the most stabilising economic forces for society.

The large percentage of population depending upon land in some shape or other is a proof of the influence of the land system on the social organism as a whole in Bengal. It is essential to bear this in mind when one is asked to deal radically with it. Rights in land were created and developed for the zamindars, intermediate tenure-holders and cultivators for ages past, but in the modern sense the legal and statutory rights were created for near about a century and a half. Society is very largely dependent on such rights: numerous investments, innumerable contracts, and large expenditure of money and labour have been made on the assumptions of what had been the clear and unmistakable statutory laws of the land. To pull down that structure will have repercussions so widespread that the consequences are certain to be chaos and anarchy, and may mean miseries and upheavals difficult to foresee with clearness.

The fact that political and economic forces have smothered other avenues of economic self-expression is largely the reason why even agriculture and interests in land are getting unremunerative. It is futile to hold the Permanent Settlement responsible for evils which must be traced to other definite politico-economic causes. Such causes will not be in the least affected: on the other hand the effect will be aggravated if a large number of people, who had adjusted themselves to the rights determined by the laws of the land, are uprooted without a demand being created for their rapid absorption elsewhere.

It will be more or less like the uprooting of the tenantry in England from agriculture, sheep rearing, and wool production at the end of 17th and in the beginning of the 18th century without the corresponding active demand on men and labour brought about by the industrial revolution. It is certain to lead to tremendous upheavals and chaotic anarchy.

We may now examine the concrete proposals as to the expectations of benefit.

The zamindars and tenure-holders have to be bought off. Normally even at the present rate of interest on promissory notes near about 30 times the profit (net) should be fairly paid. As bonds are subject to depreciation over which the zamindars or tenure-holders have no control the capital will always be uncertain and may be worth little if the credit of the Government is seriously affected—a rather not improbable contingency judged by the present circumstances. It has been stated that even if the capital value paid be 15 times, the State will suffer loss and not gain. Hence a reasonable compensation can never be less than 30 times the net profit and even that with a probability of loss to the persons whose interests are bought off will mean loss and not gain to the State. If it be urged that the compensation given be small or less than 30 times it will mean forcible expropriation of vested rights in property legally acquired and legitimately developed according to the unequivocal laws of the land. It must be remembered that in the largest majority of cases the rights in the different stages have been not the rights of individuals who were called upon to contract at the time of the Permanent Settlement but rights bought or acquired in open market at the value prevalent at the time of acquisition, and hence represented legitimate investment sanctioned by the laws of the land, and thus were lawful rights which no State could acquire without adequate compensation. If expropriation of rights legitimately acquired in property be accepted in principle it will be the end of social order and the principle cannot be restricted only to rights in land, but is bound to be extended to all other rights in property, to profits from industry, commerce and the like.

So far as Bengal is concerned the rent rate in the largest majority of cases is demonstrated to be low. If acquisition of proprietory rights direct by State leads to enhancement of the cultivators' rent, it may by screwing up the rents lead to gain by the State as an ultimate result. In view however of the poverty of the cultivators the wholesale enhancement of rent is an impossibility. The trend is rather towards placing an embargo on enhancement, and towards anything that may bring about a still further lowering of rent (compare the amendment of 1938 of the Bengal Tenancy Act and the appointment of the committees for reduction of rent). If it be intended to nationalise the land it will mean still further displacement of human labour and further complication in the field of unemployment.

In view of all these facts, the safest and best course will be to leave the Permanent Settlement and the zamindari system which have such complicated ramifications throughout the entire social and economic fabric of the country untouched by any frontal attack. If the land system is at all to be experimented on it is preferable to evolve a system of optional sale. If the State and private parties agree the interests may be bought by Government. If the system be helpful

to the parties as well as to the State, voluntary transactions will grow in number and the State purchase if found suitable will be carried on without undue haste and resultant complications at a pace to which all parties concerned will have time to adjust themselves.

It must be remembered that the direct contact of State with the cultivators in Bengal is not without its potential dangers in the political sphere. In the existing circumstances the main source of revenue —the land revenue secured through the zamindars according to the terms of the Permanent Settlement—remains unaffected by any mass movement. For example, the financial stability of the State in Bengal was absolutely unaffected even at the height of the non-co-operation movement. Once all these buffers are removed, the class-conscious and economically unstable cultivators of Bengal will have the most effective weapon ("no rent" campaign) to bring the Government to its knees and completely upset the stability of the social organism.

Q. 4. Can the lakhirajas (revenue-free estates) be legally taken back by compensation or otherwise?

Rights in them are rights in property. The objections to the interference with rights in property here are as urged in the case of the Permanent Settlement. Many of the present holders have acquired the rights by payment of the market value and are entitled to full compensation. In the badshahi and non-badshahi grant resumption regulations, the State gave definite assurances for the safety and inviolability of certain types of grants. These have been enjoyed as revenue-free since then.

There is nothing to prevent a law being passed for their resumption. Where the grants were for certain specific purposes of a public nature which no longer hold good the moral objection would be less to such law being passed, but the objections to the forcible acquisition of rights in property established by the laws of the land would persist as urged in the case of Permanent Settlement.

Q. 5. Should the curtailment of occupancy rights be advocated?

I am afraid it is too late in the day to advocate the curtailment of such rights. As a matter of fact the development of the rights of the cultivators for a century and a half is at once the justification for refuting objections to the Permanent Settlement. The one power however which must be taken is to prevent the acquisition of occupancy rights by under-raiyats. Such rights before 1928 were restricted to a small minority, but the amendment of 1928 attempted to spread them

downward almost unchecked. Such a diffusion of the right of occupancy will complicate the position of all concerned worse than the sub-infeudation of intermediate rights has done.

Q. 6. Is there any possibility of future increase of revenue within the framework of the Permanent Settlement? If so, should there be any local cesses where the rate of revenue is less than in parts of western Bengal?

I have already stated that I do not think that the Permanent Settlement should be disturbed at this stage of the economic evolution of the country. Neither the system nor the fixity of assessment should be tampered with. [The incidence of assessment of revenue is the result of various forces and a really fair formula can hardly be evolved. If however the Government be bent upon doing something it has to evolve a formula to determine the percentage of assets it would like to claim as revenue. After the formula is evolved, the incidence of each estate has to be examined, and the margin of profit has to be determined.] This formula, and the assets to which it is to be applied must need periodical revision, for circumstances alter radically from time to time.

Q. 7. Agricultural cess how to be imposed?

If agricultural cess is to be imposed for national planning it must be based on land which should include the holdings of non-agriculturists.

Q. 8. A cess for revival of cottage industries how can be imposed and what rate should the Government, the landlords and the tenants pay?

It is certainly necessary to find employment for the unemployed hours of the cultivators. But the moot point is what should be done to provide it. Withdrawal of population from land for large scale industrial undertakings, withdrawal of such population for wider use of trade and commerce, or employment in cottage industries are the various alternatives. In the matter of the development of cottage industries it has to be considered whether the latter might be subsidiary to large scale industries as in Japan or might be complete products in themselves. (As. Gandhiji's charka.) Nothing has yet been evolved and determined upon. The mere provision of funds is not the one thing necessary. Funds may be raised to be wasted if cottage industries sought to be developed have no survival value.

I should think that it will be putting the cart before the horse if we can't first develop the ways to resurrect cottage industries, before

providing a cess for taxation. I would suggest that it may be laid down that should in any region potentialities for development of live cottage industries exist, the union boards may with the approval of the Government impose a cess. The rate will be on the basis of an estimate to develop the cottage industries provided the State can contribute half and the other half is to be raised from landlords of various grades and raiyats. The latter two should contribute in equal shares and the assessment should in no case exceed a cess at a definite rate, say half an anna per rupee of rent. In according approval to such proposals of the Union Board the Government must take into consideration the incidence of revenue and rent and the margin of profits left to the cultivators, the tenure-holders and zamindars in such a region.

LIBRARY OF THE ROYAL ASIATIC SOCIETY

Reply by Rai Kalipada Maitra Bahadur, B.C.S. (Retd.), Manager of the Estate of the Nawab Bahadur of Murshidabad.

Q. 1. I venture to submit that the duties and obligations of the zamindars, as enumerated in question 1, are almost exhaustive. To my mind there may be one omission and perhaps one over-statement. Along with Regulation I, forty-eight more Regulations were passed on the same day amplifying the liabilities of the proprietors. Customs and usages also were not annihilated.

I have not been able to get hold of all these 48 Regulations. While the zamindars were certainly required to conduct themselves with good faith and moderation towards their subordinate tenants and while they were further enjoined to see that their own officers did likewise, I have not been able to get hold of any data to lead me to think that they were to "extend to their subordinate tenants the same generous treatment which they were to receive from Government." The zamindars, so far as I am aware, were never required or expected to grant to their tenants fixity of rent, fixity of tenure and free sale—the rights which were recognised or granted to the zamindars.

No arrangement between the Paramount Power and the zamindars can legally affect any subsisting right of third parties, if they had any. This is a simple principle of jurisprudence. The question really is if the raiyats in 1793 had actually any recognised rights, not to speak of the right of fixity of tenure, fixity of rent and free sale. I will deal with this later on in reply to appropriate questions.

Q. 2. The Permanent Settlement conveyed to the proprietors powers to choose their tenants and to regulate the usage of the land excepting, of course, where the mokarari tenants or tenants protected by patta were already existing. I have not found authority for holding a contrary view. Whatever might have been the rights of the zamindars in the pre-Permanent Settlement days, once they were formally recognised by a statutory proclamation as actual proprietors of the soil, their right to disposition of particular plots of land became unquestioned subject, of course, to previous commitments or subject to any enactment to be codified later on to regulate the zamindar's relationship with his tenants as provided for in section 8 of Regulation I of 1793. I confess, I cannot follow the 2nd part of this question, viz., the zamindar's liability to foster the economic interest of the province.

The zamindars were certainly expected to extend cultivation and thereby to foster the economic interest of the province. There was no

liability on their part to foster the economic interest in any other way, so far as I am aware.

Q. 3. A comparison of the state of the country in 1793 and 1893 will by itself supply the answer, if the zamindar did anything. From my personal observations and experience as an Assistant Settlement Officer extending over 17 years both in East Bengal and West Bengal, I am in a position to record that in order to extend cultivation and develop the countryside, the zamindars in the districts often allowed the raiyats to hold land free of rent for a term of years. They even sometimes paid for building huts for the raiyats. In some cases, the homestead land of such a raiyat was not assessed to rent even when his cultivated lands were fully developed and assessed. The zamindars had to excavate the irrigation tanks and construct embankments. I do not see wherein they failed. If there is any failure in any estate that particular individual proprietor is at fault. But that is no reason to haul up the entire body of the zamindars over the coals. It was in the interests of the zamindars to develop their own esates so that they could themselves enjoy the fruits of their own industry and resourcefulness. I am not aware of cases of zamindars committing their economic and financial suicide in this respect.

Q. 4. The question, if the zamindars were actual proprietors of the soil before the Permanent Settlement or they were made proprietors only in 1793, is as old as the Conquest. Mr. Justice Field in paragraph 28 of his Introduction to Bengal Regulations very correctly stated that "No attempt to define their positions and rights could now possibly succeed and this for two reasons. In the first place, the new status which we gave them by the Permanent Settlement in 1793 has affected many of the traces of the previous state of things. The old foundations were buried beneath the new structure. In the second place, it may be doubted if their position and rights were ever capable of exact definition."

It is now a matter of history that before Lord Cornwallis made his historic Proclamation, the whole question was discussed threadbare and decision taken. The memorable controversy between Mr. Grant, Sheristadar and Mr. Shore (Lord Teignmouth) over this question fills a volume in the constitutional history of our Anglo-Indian Empire. The records of this controversy, the contemporaneous writings of Mr. Harington and the later records, all go to show on a proper and careful analysis that the zamindari rights in the pre-Permanent Settlement days were held by three classes of persons:—

(*a*) Independent Chieftains or tributary chiefs who submitted to the sovereignty of the Moghuls and were holding their zamindari neither as rent collectors, nor as Feudal Lords but as an appanage to their quasi-sovereign right, e.g., Maharaja of Susang, zamindars of

Haibatnagar in Mymensingh (descendants of Isa Khan), Rajas of Ramgarh, Lalgarh, Parchaytgarh, Kultikri in Midnapore, zamindars of Chandradwip, Raikuts of Jalpaiguri, etc.

(*b*) Hereditary zamindars, e.g., Maharaja of Nadia, Maharaja of Burdwan, Maharaja of Dinajpur, Raja of Putia, Maharaja of Natore, Raja of Taherpur, Raja of Kakina, zamindars of Tepa, zamindars of Panga, zamindars of Burdhankuti, Raja of Narajote, zamindars of Muktagacha, etc.

(*c*) Those, who were in origin mere rent collectors, appointed by the Nawab Nazims but by efflux of time, became hereditary rent collectors imitating or arrogating to themselves the status of the hereditary zamindars.

Instead of making any invidious distinction, Lord Cornwallis thought it fit to treat them all alike and to declare all of them as actual proprietors of the soil. Mr. Shore was strongly of opinion that these zamindars had proprietary rights and Lord Cornwallis agreed with him in his views. If anybody suffered by this generalisation, the State suffered inasmuch as the State could have asserted the proprietary right of the State or the Lord Paramount of the soil in respect of the zamindaris of the third degree. And this generalisation might as well have affected the sentimentality of the old Feudatory Chiefs and the real landed aristocracy when they found themselves bracketed with the landholders of the 3rd degree. But there is evidence to show that the zamindars of all degrees were mortgaging and selling their interests, creating rent free grants and permanent mokarari tenures and showing them in their quinquennial returns and the State recognised these grants in limitation of the State demand. So it is difficult to find fault with the authors of the Permanent Settlement, so far as it related to the recognition of the proprietary right of all these zamindars. Then again, we find that whenever any of these zamindars proved recusant and their estates were held khas or let in farm, they were used to be given malikana or proprietary allowance in recognition of their proprietary right. It is on record that Rani Bhawani of Natore was given a malikana allowance of as much as Rs. 48,000 a year. So the proprietary right of these zamindars were unquestioned and unquestionable. I do not understand what useful purpose can be served now, after a century and a half, by raising this question particularly as I find that 90 per cent. of the estates formed in 1793 have already changed hands. 90 per cent. of the proprietors of the present day have acquired their estates in revenue sales or private sales after the solemn declaration of the Government of the day. This polemical discussion will lead us nowhere. It will not detract the value of the zamindaris anymore than a piece of diamond will lose its value because in origin it was but a piece of charcoal.

Q. 5. Conceding for the sake of argument that the conferment of the proprietary right on the zamindars of the third degree as described before was a blunder, I do not see how this contract or proclamation which is sacrosanct, inviolate and inviolable, can now be abrogated; nor do I see how can they be reconverted to the status of rent collectors and dismissed after a lapse of a century and a half. Such a proposition militates against my own juridical notion and can only be comparable with the treatment that is now being accorded to the Semitic race in Nazi Germany. No civilised State can seriously think of indulging in such like acts of expropriation.

It is unquestioned that the permanent fixation of the State demand once for all crippled the financial resources of the country in the sense that no prospect was left of augmenting the land revenue of the province. But what is the land tax in Great Britain? How does it compare with the total revenue of the country? What good was gained by commutation of tithe? After a lapse of 150 years, it is so easy to call in question the propriety of the Permanent Settlement and to characterise the authors of that Settlement by any adjective you like; but they had their reasons and cogent reasons for fixing the State demand for ever. Unless the State demands were permanently fixed forever at the time and had the zamindars been left at the tender mercy of the revenue gatherers for five generations, these zamindars in their turn would have likewise raised the raiyati rent according to their sweet will. Compare the raiyati rents in the zamindari area in Bengal with the rent obtaining in the temporarily settled areas or khas mahal areas in Bengal and for the matter of that with rent prevailing in any other country of the world. The statistics supplied by the Land Revenue Commission will show that the incidence of raiyati rent in the zamindari area in Bengal is Rs. 3 per acre against the gross produce of Rs. 49 per acre. Where else in India or for the matter of that anywhere on the face of the earth the incidence is so very low? According to Hindu Law, it is 1/6th of the gross produce of the soil. According to Saracenic System of Land Settlement—Murabalic System which obtains in the whole of Turkey—it is ⅓rd. What is the ratio according to the old Roman Law? It is ⅛th or 1/7th excepting in case of olive yards or vineyards. So I submit this low incidence of rent in zamindari area in Bengal is directly attributable to fixation of the State demand for ever.

Now I come to the argument that the tenants were no party to the arrangement. If a zamindar is to grant a patni or ijara of a mahal, it is a matter with which a third party has not got anything to do. The principle of "self-determination" is not even a quarter of a century old and it has not passed on to this side of the Suez Canal. So, I submit that the tenants had no say in the matter unless there was any

apprehension that it would affect their interest. How could or how did the permanent fixation of the State demand prejudicially affect the rent payers? On the contrary, the raiyats would have been highly prejudiced if the State demand was not permanently fixed but left to discretion of the successive generations of Settlement Officers. What is the incidence of rent in khas mahal area in Bengal? Let the statistics supplied by the Land Revenue Commissioner tell their own tale. It is Rs. 4-11 per acre in khas mahal against Rs. 3 in zamindari area. Just the other day, the Hon'ble Chief Minister spoke in no equivocal terms when he himself said that khas mahal tenants in Bengal are more highly assessed than the tenants under the zamindars whom we sometimes take delight in abusing as grasping and rapacious. After these statistics and the declaration of so high an authority as the Hon'ble Chief Minister the much maligned zamindars stand vindicated and the case for prescribing electric chairs for them automatically disappear.

Q. 6. The expectation that the Permanent Settlement would encourage the zamindars to extend cultivation and to enjoy the fruits of their industry has been very well realised. Extension of cultivation was possible mainly in the bil areas and in the jungles. I have already noted in answer to question 3 that my knowledge and experience is that in order to extend cultivation the zamindars in some cases allowed lands free of assessment to the raiyats to build their huts and in some cases built huts at their own cost. Such homestead lands are even now free of assessment in some cases. The papers of the zamindars of Fatehzangapur (Kajulia) and Sahapur (Olpur) would prove this. Most of the proprietors of the bil lands had to excavate khals for draining the bil to make the land fit for settlement and colonisation, e.g., the zamindars of Habibpur, Telihati, etc., in Bakarganj and Faridpur. The Hon'ble Mr. Huq was a proprietor of pargana Habibpur when I prepared its record of rights. I can testify to this industry of the proprietors and I trust that the Hon'ble Chief Minister himself still remembers it.

It is certainly true that there would have been no necessity for extension of cultivation had the population remained stationary or was on the decrease. When there was an increase of population, there was necessity for migration and then and then only arose necessity for the zamindars to come forward with their offers of investment to do all this. The issues should not be confused. Up to the end of the last century, the area known as Hijole in pargana Fatehsingh in Murshidabad was a big bil without any habitation. It is a fact which I believe may be known to Khan Bahadur Abdul Momin, C.I.E., that the present Nawab Bahadur of Murshidabad spent about a lakh of rupees in constructing embankments in that area. These embankments are being maintained

even now at a cost of Rs. 3,500 a year on an average. There are many such zamindari embankments even now all over the Burdwan division. Even this year the estate of Nawab Bahadur of Murshidabad has contributed Rs. 1,000 to the Collector of Rangpur to drain a big bil in Kaliganj thana.

Q. 7. Yes, the returns filed by the zamindars at the Decennial Settlement, if totalled, will give a total of about three crores of rupees. It is also true that these returns were checked by the pargana kanungoes. Still I contend that these figures were not all correct. There was so much of dishonesty and corruption in those days that it is a matter of common knowledge that these figures were all more or less faked according to the dishonesty of the parties and according to the chances of detection. The figures for the districts round about the seat of the Government that is Burdwan, Hooghly, Jessore and Nadia would show a comparatively higher incidence of rent but in the outlying districts and in districts across the Ganges, the figures were low —only exception being the districts of Dinajpur where either the Maharaja of Dinajpur was not so very resourceful or there was some misunderstanding with the kanungoes or because the Provincial Council at Dinajpur had a vigilant scrutiny. But by this statement, I do not for a moment contend that the real rent roll in 1790 could have been even six crores. It was probably less. The additional six crores is attributable to extension of cultivation and enhancement of rent. About two crores may be due to extension of cultivation but the balance of four crores is due to enhancement. As the purchasing power of silver went on diminishing, the rates of rent went on increasing. That is so in every other area whether in the khas mahals of Bengal or in the raiyatwari areas outside Bengal.

Q. 8. The zamindars were required to conduct themselves with good faith and moderation towards their subordinate tenants. They were also enjoined to see that their employees did likewise. But I do not find that they were required to secure to their tenants "the same equity and generous treatment as they were supposed to have received from Government." I am myself unaware of any such obligation and would gratefully stand corrected when this is pointed out to me. The zamindars were never required to secure for their tenants fixity of demand or fixity of tenure or free sale. Neither do I find this mentioned anywhere in Regulation I, nor does the history of the last 149 years show this. On the contrary, Regulation VII of 1799 would show just the other way round. It gave the zamindars almost absolute power over the person and property of the raiyats. I do not see how the zamindars can be accused of any breach of faith towards the tenants. I would rather think that when the Britishers were newcomers to this strange country among strange people with habits and customs still

stranger, they were only anxious to do whatever was necessary to safeguard their revenue. But when they found themselves entrenched in their position and revenue secured, they began to feel the mistake of fixing the revenue in perpetuity and proceeded later on to look to the interest of the tenants by passing enactments some of which were characterised by the eminent Chief Justices, like Sir Barnes Peacock and Sir Richard Garth as infringements of the rights of the zamindars. I will quote their opinion *ipsissima verba* in my answer to question 23.

Q. 9. In my reply to question 6, I have shown what the zamindars have done to improve their estates. Then again a comparison of the condition of agricultural Bengal with that of any other province in India will clearly establish this. Compare the value of the gross produce per acre with that of any other province in India. Compare the incidence of rent in the permanently settled area in Bengal with that of khas mahal area in Bengal and outside Bengal. These figures by themselves would show if the Permanent Settlement was a boon or a curse to the country. The more we are receding from the date of Permanent Settlement, the more we are hearing of the evil effects of Permanent Settlement from sources ignorant or interested. But what did late Mr. Ramesh Chandra Dutt say? He was no enemy of his country, he was no dreamer, nor did he love Bengal less than the other provinces in India, nor was he ignorant of the economic conditions prevailing all over India. He was a democrat and a nationalist. Still he gave it as his considered opinion in his open letters to Lord Curzon that had there been any Permanent Settlement in other provinces, "India would have been spared those more dreadful and desolating famines which we have witnessed in recent years." In consequence of the Permanent Settlement in Bengal he held "The cultivators are more prosperous, more resourceful, better able to help themselves in years of bad harvest than cultivators in any other part of India", and that "agricultural enterprise has been fostered, cultivation extended, and private capital accumulated which is devoted to useful industries and to public works and institutions."

So I do not see wherein the Bengal zamindars failed and wherein khas management succeeded in other parts of India. It is true that with the spread of Malaria in the sixties and seventies of the last century and with the growth of amenities of life in the Metropolis the zamindars began to be attracted to Calcutta, but has the condition of agricultural Bengal suffered after 1880 compared with the state of things before? So the tenantry has not been so much affected by the absenteeism of the zamindars. On the contrary, I can prove that the worst and the oppressive landlords continued to live in the interior. For the sake of decency and for fear of coming within the mischief of section 500 of Indian Penal Code, I refrain from naming these zamindars who are well-known in the agrarian history of Bengal.

Q. 10. When I consider the incidence of raiyati rent in zamindari area of Bengal and compare it with raiyati rent of khas mahal whether in Bengal or elsewhere, I am forced to the inevitable conclusion that the Permanent Settlement was for the greatest good of the greatest number of population. Of course, it ruined forever any prospect of enhancing the land revenue of the province. It has thus affected the provincial exchequer but it has not affected the purse of the raiyat. The Permanent Settlement undoubtedly gave a greater fillip to the creation of a chain of subinfeudation on a wider scale. "It is a natural consequence of hereditary benefices" says Hallam, "that those who possess them curve out portions to be held by themselves by a similar tenure." By the same law of nature, the Permanent Settlement gave an enormous impetus to subinfeudation. Sir George Campbell in his Bengal Administration Report, 1873-74, observed thus:

"At the Permanent Settlement, Government by abdicating its position as exclusive possessor of the soil and contenting itself with a permanent rent charge on the land escaped thenceforward all the labour and risk attendant upon detailed management. The zamindars of Bengal proper were not slow to follow the example set them and immediately began to dispose of their zamindaris in a similar manner."

But the evil is mainly confined to only certain districts where there were bils and jungles in abundance requiring reclamation and colonization and requiring investment of capital. So, I for one, would always think that it was perhaps a necessary evil. This chain of subinfeudation has undoubtedly led to a complication in our revenue system and it has also made our general administration more difficult and complex with so much of litigation. The Permanent Settlement has no doubt helped to increase the income of our zamindar with the extension of cultivation and rise in prices of staple food crops. But when I consider that out of the gross produce of Rs. 49 per acre, only Rs. 3 goes to the landlord, to say that the zamindars are growing richer "at the expense of the tenant" is in extreme overstatement of the case. Such a statement smacks of bolshevism ignoring the reality of the proprietorship of the zamindar.

Q. 11. (*i*) It has been alleged that the Permanent Settlement has "led to the appropriation of nearly 80 per cent. of the income from land" by the zamindars. If the "income from land" means the gross income, i.e., the value of the produce, it is a preposterous statement for the landlord gets only Rs. 3 out of Rs. 49, i.e., 1/16th—a ratio which does not prevail anywhere in the world. If the "income from land" means the net profit of the raiyat, even then the proportion quoted is absurdly high. If the "income from land" means the total

raiyatwari assets of the province,, it should be admitted that some 75 per cent. goes to the proprietor and to the chain of subordinate tenure-holders, if any, created by him. How can it be otherwise? It is the proprietor who is to have the proceeds of the raiyatwari assets subject only to the payment of the public demand which was fixed forever. So this criticism about the appropriation of the lion's share of the raiyati rental is not a case of culpable misappropriation for which the proprietor can be penalised in any way. If anybody has suffered by this appropriation, the State or the Lord Paramount of the soil has suffered. But the Government of the day entered into this solemn contract with eyes open and no civilised State can think of resiling from such a contract after a lapse of 150 years on the plea that they did not see through the mistake of their policy at the time. If such a contract can be abrogated by a civilised Government, every contract can be challenged on more frivolous pleas.

(*ii*) The very existence of the subordinate taluks at the time of the Permanent Settlement is a proof positive that there was subinfeudation already in force. In my reply to question 10, I have quoted Hallam to show that subinfeudation is a "natural consequence of hereditary benefices." I have also quoted Sir George Campbell to show that the zamindars in creating the subordinate tenures only imitated the ways of the Government of the day. So, this is no ground for assailing the Permanent Settlement and crying for its abolition.

(*iii*) The next argument is that Permanent Settlement has led to enhancement of rayati rent. Such an argument only betrays ignorance of facts. Rent in permanently settled area is Rs. 3 per acre against Rs. 4-11 in the khas mahal area. These figures by themselves give a lie direct to the arguments of the advocates of the abolition of Permanent Settlement.

(*iv*) The last argument against the Permanent Settlement is that it has "created a system of overlordship over the actual cultivators of the soil which is harassing and oppressing." This argument is equally unfair. The old and hereditary zamindars, independent talukdars and dependent talukdars were already there in existence in 1793. It is not a creation of the Permanent Settlement at all. I have already shown that even if any of these zamindars proved recusant before Permanent Settlement, they were given malikana in recognition of their proprietary right and I have already shown that as much as Rs. 48,000 per annum used to be paid to the Rani of Natore. So this overlordship was not a new creation in 1793. It is extremely doubtful if the British were morally competent to ignore these hereditary actual proprietors of the soil and could assume khas management. Of course, they could certainly do so by force of arms—a proposition which did not appeal to their sense of British justice and equity. They tolerated them at a considerable sacrifice but the tenants have now revolted against this

overlordship. I concede that any subordination is humiliating in those days of liberty, equality and fraternity. That is why in these days of socialism and bolshevism, this cry against "overlordship" of the proprietors is being raised.

So I venture to submit that there is no real substance in all these criticisms, and they are not quite justified.

Q. 12. I have exposed the ignorance, fallacy and unsoundness of all the four grounds enumerated in question 11 and none of these arguments can be used at so distant a date for cancelling the fixation of the public demand in perpetuity, so solemnly declared, given effect to and adhered to for a century and half unless we go several steps down the ladder to reach the plane where the murder of a single citizen is being visited with pillage and plunder of millions of fellow countrymen. I fear the zamindars cannot be got rid of by such a summary process. At any rate, knowing as I do, the revenue history of Bengal, I, for one, cannot advocate such a summary course, I do not, therefore, find much difference between the arguments and mentality of these revenue reformers and our young terrorists.

Q. 13. (*i*) I have made it abundantly clear in my replies to questions 11 and 12 that we cannot make a short work of the zamindars who have been solemnly declared to be the actual proprietors of the soil by any rough or revolutionary process. If we want to increase the revenue of the province and to do away with the "overlordship" of the proprietor the only just, reasonable and possible solution is to buy up the zamindari rights of all grades of landlords supposed to be lording over actual cultivators. Allow me to quote in this connection a few lines from the last paragraph of the report of the Rent Law Commission of 1880:—

"As to the power of the legislature to redistribute the property in land at any time, when such a redistribution is required in the interest of the entire community, there can be no doubt. If such a redistribution has for its immediate result the impairment of existing interest, compensation is usually given by the civilised legislature."

So I would advocate acquisition of rights of all the "overlords" of all grades down to the cess tenure-holders only allowing them to enjoy their khas lands on certain terms. This is according to the canons of all legislation and if it leads to a revolution in the economic structure of our society, it will be a peaceful revolution and will not seriously hurt the interest or sentimentality on any side excepting perhaps of a few who like to see the landlords to be hanged, drawn and quartered.

(*ii*) I am no advocate for substituting temporary settlement for Permanent Settlement for the cry of "overlordship" will still subsist. Then again, if the zamindars are not wanted or found wanting, why

keep them at all with a degraded status? If I find any subordinate of mine not wanted I would remove him outright instead of degrading him to a temporary post on a lesser pay; for he would lose his self-respect and would work worse and would prove less useful purpose.

If the zamindars and other landlords are not wanted and if they have outlived their usefulness pay them up and give them a happy farewell. That is the just and the most honourable course.

(*iii*) I am not at all in favour of levying a tax on agricultural income as a substitute for fixed annual land revenue. It is understood that about 90 per cent. of the present-day proprietors are not the lineal descendants of the proprietors of 1793 but subsequent purchasers who invested money in zamindaris as some others invested in Calcutta house properties or in gilt-edged securities. When a purchaser of zamindari invested money, he invested his hard cash on calculation of certain profits. I do not see why the investors in zamindaris should be singled out to lose their incomes while the investors in Calcutta properties and Government securities will be left untouched. Unless the wealth in general is nationalised on bolshevic principle, the land alone cannot and should not be singled out. Just two years ago, the estate of Nawab Bahadur of Murshidabad invested Rs. 15,00,000 under Government orders in purchasing a zamindari in Rangpur. So much money was invested in expectation of getting a net annual income of Rs. 75,000. Now if this income of Rs. 75,000 is taken away by imposition of a tax of say 50 per cent. on the gross rental, who will pay for the loss? What is true about this purchase under Government orders is equally true in case of other private purchases. A tax on agricultural income, if it is to be introduced at all as a substitute for land revenue, cannot be on a uniform scale on the gross rental, for some of the zamindars will gain and some will lose by it. A 50 per cent. on gross rental will perhaps benefit some of the zamindars of western districts as it will work out to a figure which is less than their existing annual revenue. It will give them a far bigger margin of profit than they ever enjoyed before; while such a scheme will raise the existing land revenue in eastern districts sometimes to 10 or 15 times the existing land revenue and their actual income will undergo a serious loss. I for one, do not see any principle or equity underlying such a proposal. If, however, the proposed tax is imposed on the net income of all estates over and above the existing land revenue to augment the resources of the State, I, for one, in my personal capacity cannot see any objection to it provided the incidence of such a taxation does not prove too heavy for the landlords to bear.

Q. 14. In my reply to question 13, I have indicated that I am no advocate of substituting temporary settlement for the Permanent Settlement but I am a ready advocate of buying up the zamindari rights and

the rights of all middlemen exactly in the way it is done under the Land Acquisition Act subject to certain deviations. Just at present we pay land acquisition compensation at about 20 years' purchase of the net annual income plus 15 per cent. as additional compensation for the compulsory nature of the acquisition. This 15 per cent. surcharge may perhaps be saved; for though the nature of acquisition will be compulsory, I venture to think many of the proprietors and other landlords would welcome the idea of being relieved of the ownership of their estates and tenures because of the tyranny of the present generation of the raiyats. The landed aristocracy in 1938 is being more sinned against than sinning. Any one having anything to do with rent collection in any estate, whether held by the Crown or by a private individual, is painfully aware of all the devices or subterfuges resorted to by the tenants to evade payments and to enjoy the land without payment of rent.

The compensation should not be paid in cash but in Government securities carrying an interest of 3½ per cent. free of income-tax. I confess I am not in a position to say off-hand what would be the total amount required to buy up all the zamindars and middlemen. It is understood that some such calculations were made by my late chief Mr. F. D. Ascoli, I.C.S. (retired), when he was the Secretary to the Board of Revenue, Bengal? The exact sum need not concern us so much at present, as nothing will have to be paid in cash and so long as it is evident that by paying the landlords 20 years' purchase in 3½ per cent. Government security, the State will make a good profit and an accumulation of this profit in case of all estates taken together will mount up to a very great figure. Let me illustrate this by an example:

The net profit of a landholder is Rs. 1,000 a year, he will get G.P. Notes bearing 3½ per cent. of the face value of Rs. 20,000. This will give the landlord Rs. 700 a year that is Rs. 300 short. A sum of Rs. 300 for every Rs. 1,000 of net profit will go to the State. It may be questioned why the zamindars or other landlords should agree to take Rs. 700 instead of Rs. 1,000 which they are actually getting now. My answer is this—

The landlords have now fallen on evil days and evil tongues. The tenants have revolted and have combined in a campaign against the landlords in general. They are the complainants, they are the witnesses and sometimes they want to be judges also. So it is only a Hobson's choice with these landlords to accept this Rs. 700 without expecting more and even foregoing this statutory surcharge of 15 per cent.

Q. 15. In my answer to question 14, I have advocated paying the compensation in Government securities bearing an interest of 3½ per

cent. I do not see any justification why such securities should be made redeemable after a term of years. I am, however, prepared to suggest that these securities will revert to the Crown on the failure of the direct line of succession of the security holders.

Q. 16. The State purchase of the zamindaris will not affect the social structure unless all the middlemen are removed at the same time and their rights purchased. We will then have a proletariat. This will certainly bring about a revolution in the social structure as it will tend towards revolutionising the existing economic and social conditions. If the principle of eliminating the middlemen is to be carried to its logical conclusion to have a real and complete proletariat, the big raiyats who are growing in number and fatter still with right of free purchase of occupancy holdings will have to be relieved of the areas let out by them. We will then have an altogether new super-structure. In an age when Brahmins are taking to sale of shoes and wines and there are revolutionary changes in all directions, the new structure to arise out of the old structure will be tolerated all the same.

Q. 17. There is no point in eliminating the zamindars by buying up their estates unless all the middlemen of all grades are eliminated and at the same time by the same process. In most cases, the zamindars are not in direct touch with the raiyats and the only interest the zamindars feel is getting the rent from the patnidars. Then again in a village a person might be collecting 8 annas share of the rent of the raiyats as a proprietor and collecting the other 8 annas share of the rent from the same set of raiyats as a patnidar or ijardar under the other 8 annas share of the zamindari held by his co-sharer zamindar. Then again no useful purpose would be served, by buying up the proprietary right of the zamindar in an estate leaving the tenure-holders under him to collect rents from the raiyats. The administrative system, the revenue system, etc., will all stand very much simplified, if the cultivating raiyats come directly under the State. This complete elimination of all "overlords" of all grades will democratise the State as a whole and will pave the way towards real nationalism—the ideal towards the attainment of which the socialists are striving. Pray do not think that I am either a socialist or democrat. I am too conservative in my ways, tradition and culture to be either but I have been an insistent and persistent advocate of turning the whole of Bengal into one big Khasmahal to simplify all business. I, for one, shall always welcome this change as it will mean a decided improvement upon the existing revenue and administrative system with all its complications and ramifications.

Q. 18. As already indicated in my answer to the previous question, for making a direct raiyatwari collection in all districts we shall need a network of tahsil offices. The average size of a tahsil union being

10 square miles or 6,400 acres or about 20,000 bighas of cultivated area, the total raiyatwari rental for each tahsil union will be between Rs. 20,000 to Rs. 30,000 just the size for an ideal tahsil union. Ten such tahsil unions will be made into a tahsil circle with a Circle Officer of the rank of a Sub-Deputy Collector. The total cultivated area of the province excluding Darjeeling and Chittagong Hill Tracts is about 45,000 square miles. So we will need 450 tahsil circles distributed in 25 districts. Roughly speaking there will be some 18 Circle Officers in each district. I have shown below an estimate of cost for a tahsil circle:—

		Rs.
Tahsildars—10 at Rs. 50 for 12 months	...	6,000
Tahsil mohurirs—10 at Rs. 30 for 12 months	...	3,600
Peons—20 at Rs. 15 for 12 months	...	3,600
Circle Officers—1 at Rs. 250 for 12 months	...	3,000
Amin and clerks—3 at Rs. 40 for 12 months	...	1,440
Peons and chainman—4 at Rs. 15 for 12 months	...	720
Contingency and Miscellaneous	...	240
Travelling Allowance	...	600
Overhead charges at Headquarters	...	1,000
		20,000

As the average collection in a tahsil circle with 10 unions will be about Rs. 2,50,000 the total collection charge will amount to Rs. 20,000 including all overhead charges, i.e., only 8 per cent.

Q. 19. The question whether the raiyats would prefer to remain under private proprietors or they would prefer to be the khas tenants of the State can only be correctly answered if a plebiscite is taken. I doubt not that in these days of propaganda against landlordism the majority may be in favour of Khasmahal, though in my younger days I found the people in general afraid of khas collection for fear of punctual payment of rent which was not so insisted on in private estates, exactly in the way as debtors used to prefer going to moneylenders for loan instead of going to the co-operative credit societies in spite of their lower rate of interest. As at present only a small fraction of the tenantry live in khasmahal, they expect and as a matter of fact, they get preferential consideration from the local authorities in the matter of the agricultural loans and such like things. They have got the ears of the local executive officers and count upon their help and co-operation, in personal

and local affairs. They can carry their appeals against arbitrary settlements to higher authorities. But if and when the whole area is concerted into one Khasmahal and all the raiyats will be on the same footing, this preferential treatment will automatically disappear. The lure of direct management by the local executive officers will disappear also leaving only the sting of liability of punctual payment.

Q. 20. The Permanent Settlement with the proprietors at a fixed revenue has certainly encouraged creation of subordinate tenures with rents fixed in perpetuity. I have already quoted Hallam and Sir George Campbell to show that this was the most natural consequence of Permanent Settlement. Many of the raiyats themselves did take such permanent mokarari leases paying heavy premium to enable them to enjoy the rights which no occupancy raiyat ever had before, i.e., right of free sale, right of erecting pucca structure, right of digging tank, right of enjoying timber of the trees of the holding, etc. Now many of these rights have been conferred on the raiyats by the successive statutes. So there is no more any craze for taking settlement of permanent tenures. Permanent leases were also taken by the raiyats or other local people to enable them to have a better social status and in some cases to enjoy the honour of having a domain over their fellow tenants. I do not quite see how creation of a permanent tenure covering a village or portion of a village could and did affect the raiyats within the village economically but from a social point of view it was certainly undemocratic inasmuch as it affects the sentimentality of the raiyats.

Q. 21. The question is like question 16. My answer is the same. The zamindaris are fewer in number compared with the number of permanent tenures. Elimination of all middlemen will democratise the society—a proposition which will appeal to the imagination of our revenue and social reformer. If the tenure-holders are given land acquisition compensation for their tenure-rights these tenure-holders will not be much affected.

Q. 22. The homestead land and khas land of the zamindars and tenure-holders will have to be assessed. Strictly speaking they should be valued exactly on the same principle as they are dealt with for the purpose of cess valuation. But their real nijjote or khamar land coming and recorded under Chapter XI of the Bengal Tenancy Act may be given some concessional rent, so also their homestead, if ancestral. I would suggest one-third rate for their khamar lands and $\frac{1}{4}$th rate for their ancestral homestead and half rate for other lands in view of the fact of non-payment of 15 per cent. statutory surcharge under the Land Acquisition Act. This will be like sugar-coating the quinine pill or a solatium.

Settlement records after revision would show the extent of khas land. But this is linked up with the question of bargadars who may be in possession of such khas lands. Where bargadars were recorded as occupancy raiyats and they are still in occupation of such lands, the areas cannot be treated as khas land of the landlords and the landlords will have to be given land acquisition compensation or the produce rents of the bargadars will have to be commuted before they are brought directly under the State. Where no occupancy bargadars is found to be in existence, the land would be treated as khas land and assessed as indicated above.

Q. 23. What rights the raiyats had before the Permanent Settlement are now matters for research by the antiquarians. Paragraph 433 of Mr. Shore's (Lord Teignmouth) Minute of the 18th June 1789 shows that, "with respect to raiyats, their rights appear to be very uncertain and indefinite". With the exception of raiyats who held under pattas dating before the Permanent Settlement and the khudkasht raiyats, no other raiyats had any right of occupancy. The proprietors on the contrary were enjoined not to grant pattas for a term exceeding 10 years, *vide* preamble and section 2 of Regulation XLIV of 1793. The occupancy right in the present sense of the term is a creation of the British by section 6 of Act X of 1859. In 1864 a majority of judges of the High Court gave it as their opinion that the right of occupancy created by Act X was an invasion of the rights of the landholders. Mr. Justice Trevor declared it "a great infringement of the law previously existing" and Sir Barnes Peacock and other Justices suggested its abolition on the ground that "it interferes with the just rights of the zamindars, at least in the permanently settled districts, by vesting rights of occupancy in the raiyats which had no previous existence." Sir Richard Garth in his Note of the 18th January 1880 says :—

"Mr. Field expresses some doubt whether a khudkasht raiyat, so long as he paid his rent could be turned out of his holding by his landlord. But however this may be, it is certain that before the passing of the Rent Law in 1859, a landlord could and did almost at pleasure rid himself of objectionable tenants."

"To obviate this apparent injustice, Act X of 1859 protected a raiyat from eviction after 12 years of occupancy and prevented the landlord from enhancing his rent after that period except under certain conditions."

"Now, however wise and politic this provision might have been, it seems to me impossible to deny that it operated as an invasion of the landlord's rights as conferred upon him by the Permanent Settlement." (Page 386 of Bengal Rent Commission, 1880, Vol. II.)

After such a remarkable pronouncement of a Chief Justice some sixty years ago, it is difficult to assert that the occupancy right was not a creation of the British. Lord Canning in his Message conveying his assent to the Bill (Act X of 1859) said:—

"It had long been desirable that the important questions connected with the relative rights of landlords and tenants dealt with by the Bill should be settled; that the Bill was a real and earnest endeavour to improve the position of the raiyats in Bengal and to open to them a prospect of freedom and independence which they had not hitherto enjoyed."

In view of the words of Mr. Shore, Sir Barnes Peacock, Sir Richard Garth and the other Judges of the High Court and the Message of Lord Canning it is difficult to assert authoritatively that the khudkasht raiyats had any real right of occupancy and that the occupancy right, as we now understand by the term, was not a creation of the British.

Q. 24. This question about the proprietary right of the cultivators raises another polemical discussion. It is of course possible to quote a line from a Hindu Law to show that the land belonged to the man who cleared it for the purpose of cultivation and that the share of the produce which he paid was a tax paid by him for the protection of his crop. But at the same time the King was the "Lord Paramount of the soil". There are thus two conflicting ideas. In the greater part of the world the right of cultivating particular portions of the earth is rather a privilege than property—a privilege first of the whole people, then of a particular tribe or of a particular village community and finally of particular individuals of the community. This exclusive privilege or the right to cultivate a particular plot of land did not necessarily convey more than a right to cultivate and to appropriate the produce and a right to such possession as may be incidental thereto. "We are too apt to forget that property in land as a transferable mercantile commodity absolutely owned and passing from hand to hand like any chattel is not an ancient institution but a modern development". So I cannot subscribe to the view that the cultivator was ever the actual proprietor of the soil he cultivated. He was only the permissive occupant or a tiller of the soil with some sort of right to cultivate but not to enjoy the real proprietary right in any sense of the term.

Q. 25. I am for confining the occupancy right to the actual cultivator of the soil (other than those temporary cultivators who are hired to cultivate the lands of those who are physically unfit to cultivate personally, e.g., lunatics, infirms, females, minors, etc.). Condemning as we do the principle of subinfeudation created by the proprietors and other permanent tenure-holders, we cannot consistently bless and encourage a new chain of subinfeudation which is being created and will

be created in a greater degree with easy and unrestricted sale and transfer of the occupancy holdings, while it is proposed to destroy one set and the existing set of middlemen we cannot bring into being another set. It will be doing away with one form of overlordship and creating another of an identical nature which will perhaps be more harassing and oppressive to the actual cultivators, unless it is held that the overlordship of the old set was bitter and biting and the overlordship of the new set will be sweet and pleasant. To my mind there cannot be and should not be a halfway house between the existing zamindari system and a complete proletariat.

Q. 26. A raiyat who has completely and permanently converted himself into a rent receiver is and ought to be in the same category with other middlemen, be he a zamindar or a tenure-holder. I do not honestly find any difference. If the zamindars and the statutory tenure-holder are eliminated, I find no cogent reason why the raiyat who has voluntarily converted himself as a permanent measure into a middlemen should be tolerated to exist. His rights should be purchased and he should be paid off when the other middlemen are paid off. Similarly those of the raiyats who hold some khas land but have sublet the rest of the holdings should be dealt with exactly like a statutory tenure-holder having some khas lands. What is sauce for the gander ought to be the sauce for the goose as two and two always make four whether in the old world or in the new world.

Q. 27. I have no reason to think that it was the real intention of the Permanent Settlement to give any special protection to non-agriculturists. Section VIII of Regulation I of 1793 in the matter of protection refers to the welfare of the dependent talukdar raiyats and other cultivators of the soil. As the non-agriculturists are not as a rule "most helpless" and are ordinarily solvent, it is up to them to purchase occupancy right in respect of their non-agricultural lands paying premium to the landlord or to the State stepping into the shoes of these expiring landlords.

Q. 28. If a raiyat has converted his agricultural land for non-agricultural purposes, he has changed the character of his tenancy unless it be his own homestead. Generally, he has been allowed to do this conversion with the knowledge or permission of the landlord—a permission which has been presumably obtained on payment of some consideration. A landlord might have foregone any consideration in any special case on extraneous consideration. In all such cases, to proceed to tax the tenants or to penalise them would be encroaching upon the rights of the landlord who could have granted a permanent mokarari lease for any purpose on receipt of proper premium. So I for one cannot advocate a special taxation directly by the State on such non-agricultural holdings.

Q. 29. I believe that the number of bargadars is and will continue to be on the increase. With the new right of the free sale of their holdings, the occupancy raiyats are selling land both to the bigger raiyats as well as to the non-agriculturists none of whom can afford to cultivate so much land personally nor are they always willing to lease out their newly purchased land to under-raiyats on cash rents. So they are on the look-out for bargadars from those of the old raiyats who have sold up their land as well as from other landless labourers who are also on the look-out for lands which they cannot afford to take settlement of on payment of premium. The new purchasers of occupancy holdings, be they bhadraloks or big agriculturists, can without hesitation let out in barga as this will not constitute any tenancy with a right of occupancy.

This increase of bargadars can only be checked by putting a stop to the unrestricted sale of occupancy holdings—a right which was conferred on the raiyats as a boon regardless of the warnings of thoughtful persons. I might be permitted to quote here a few lines from the Note of Sir Richard Garth in 1880:—

"They beget and marry sons and daughters without the least considering whether his small jote which is sufficient to support 10 people is sufficient to support 50. They appear to spend the proceeds of a good harvest without laying up any sufficient store against bad one; and can it be doubted that when hard times come upon them, either from over-population or bad harvest, they will sell or mortgage their little property if you only give them the power to do so."

"I should have thought that the most effectual way of protecting such people and preventing them from wasting their substance would be to secure them a permanent interest in their property by prohibiting the alienation of it in any shape or way" (*vide* page 382 of the Report of the Rent Law Commission, 1880).

How prophetic these warnings were! A misconceived notion of the welfare of the raiyats has now landed them in their present plight. The more we will be facilitating free sale the more deep we will be digging their graves.

Q. 30. My answer to question 29 may be perused. The absence of statutory right of the bargadars according to the Act of 1929 is certainly a contributory cause of the extension of the barga system but the real cause is the misconceived boon of the right of free and unrestricted sale.

It does not matter whether these purchases are made by non-agriculturists who do not themselves cultivate or by the big jotedars who cannot cultivate so much land. The final result is all the same. To stop the purchase by non-agriculturists and to allow the purchase

by big agriculturists will lead to the same effect finally, with this little exception that the bargadars instead of holding under non-agriculturists will hold under the new and now growing body of non-cultivating cultivators, if I am permitted to use an oxymoron.

Q. 31. It is no point of honour for a raiyat to cultivate on barga system but when his holding is sold wholly or in part he goes in for barga. A good cultivator sometimes takes barga of his adjoining plot for the purpose of consolidation or some such ulterior object, otherwise the system is confined to the landless labourers or to those of the raiyats who are now left with insufficient land after sale of their own holdings. A bargadar does not ordinarily go in for more than 6 or 7 bighas at the most but with more sales the area will go on increasing. The majority of the old bargadars were primarily under the tenure-holders and used to cultivate their so-called khamar land. But with the sale of occupancy holdings, the bargadars are coming in larger numbers under the raiyats purchasing such holdings.

Q. 32. I confess, I do not quite appreciate the question. To think of protecting the bargadars effectively is to ignore the history of their birth in most cases. A raiyat does not pay his rent and his holding is sold for arrears and is purchased khas, if there be no third party bidding (there is a systematic propaganda amongst the raiyats not to bid in such sales and this propaganda is very influentially backed).

No one comes forward to take settlement of the purchased land paying any salami or the arrears for which the holding was sold. The landlord necessarily gives it to a bargadar. To give such a bargadar an occupancy right or any right of commutation is to make the landlord lose his arrear rent, and cost, etc. Similarly a mahajan (moneylender) cannot realise his dues from a raiyat-debtor. He purchases his holding and allows the old man to continue in occupation in barga for the time being, more to help him than to embarass him. If such bargadars are then given the occupancy right and the right of commutation, does not the moneylender or the purchaser stand cheated? Should we encourage all this unless we adopt a new creed of driving out all the landlords and moneylenders? Those who advocate or aim at such a policy are perhaps no better than the Nazis who make no secret of their plan of plundering the Jews.

So I for one cannot with a clear conscience suggest conferring any right of occupancy or right of commutation to the bargadars unless the State comes forward to adequately compensate the party to be affected. I have been systematically advocating this principle of paying compensation all my official life. The principle of Irish land legislation may supply a precedent. If truck loads of English gold could be shipped across the Irish sea to compensate the landlords there, the

same policy with necessary modifications can well be followed here also. The idea is by no means new. I put it down in print in my Supplement to the Final Report of Dacca Settlement so far back as 1921 and I find that Mr. W. J. Reid, I.C.S., also noted about it on page 51 (paragraph 5), Appendix to Bakarganj Report. Sir Alexander Sachse reviewing my report suggested that a reasonable nazar should be made payable by the bargadars.

Q. 33. I consider the barga system to be economically unsound in more ways than one. Barga lands are usually not properly looked after and given only a step-motherly care by the cultivators. The extension of the barga system can be prevented only by listening to the advice of authorities like Sir Richard Garth who condemned the policy of making the occupancy right freely transferable. The mischief already done can only be remedied by purchasing the rights of the superior raiyats or middlemen. If we can afford to purchase the rights of all zamindars and other landlords, why can't we purchase the rights of those who get a share of the produce from the bargadars? The basic principle is the same.

Q. 34. If the occupancy right of the bargadars is secured to them by paying compensation to the landlord nothing more will be heard about it. If, however, it is secured without compensation, the landlords will naturally think of keeping their khas purchased land in their direct possession. Their own instinct of self preservation will dictate this. This will lead to converting the bargadars into daily labourers.

As one lie begets another till they come into a generation, so one mistake begets another till they form a net to entrap us all. Unless the whole thing is conceived in a proper spirit of sympathy for all classes and sections of population and in a true spirit of accommodation and compromise, it only encourages class hatred leading to an ultimate disaster.

Q. 35. The fair proportion of the produce to be paid by the bargadars varies in different areas and with different crops. The fact that the system is spreading is an indication that the proportion prevailing is perhaps proper and fair. To advoate fixing the proportion by legislation is a proposition which does not appeal to me for my viewpoint about the bargadar has already been given.

Q. 36. The wages of agricultural labourers vary in different areas and in different seasons. While the wages range between annas 3-6 to annas 4 in the district of Murshidabad even in the jute harvesting season, they rise to annas 10 to Re. 1 in Rangpur and other richer districts. In districts where the wages are high enough, viz., Rangpur, Dacca, etc., I doubt if the bargadars are better off. Such is the case with the chaukidars of Rangpur who pay abnormally high rent

in the absence of any real safeguard against settlement and enhancement of under-raiyati rents—the old section 48 does not exist any longer and the provisions of new section 48B are only illusory.

Q. 37. I have made it abundantly clear in my replies to question 29 and onward that I consider the right of transfer of their holdings by the improvident raiyats instead of helping them is threatening to ruin them. I have quoted the high authority and warnings of a Chief Justice. Perhaps a mistaken policy has been pursued all through. I would not allow sale even to an agriculturist if he happens to be a big one. Some of the rich agriculturists have now got 200 to 600 bighas of land. It is not possible for any real and actual cultivator to cultivate so much land. He is sub-letting on high rents to the so-called under-raiyats and bargadars. In the district of Rangpur I have noticed that rents of the chukanidars are sometimes coming up to Rs. 18 or more per acre. So these big cultivators are becoming worse than the ordinary middlemen. This new and growing class of big non-cultivating cultivators with hundreds of acres of land is to my mind a greater manace to the agricultural community. As a cry has now been raised for doing away with the zamindars and the middlemen, the day is quite at hand when these bargadars and chukanidars will raise a cry for nationalization of lands and its equitable distribution on the Soviet principle according to the needs of the individual family.

Q. 38. The statistics supplied show that the average size of a raiyati holding is 1·9 acres. But this figure does not help us so much for we know that most of the raiyats have got two or more holdings. I know of raiyats who keep 10 to 20 holdings or more. It appears that the agricultural population per sq. mile (640 acres) is 442. But this is on the basis of the total area including unculturable land. So the incidence of agricultural population per sq. mile of actually cultivated area is more. The incidence of cultivated area per head of the population works out to ·89 acres (out of 71,000 square miles of land in Bengal excluding Darjeeling and Chittagong Hill Tracts, 44,000 square miles are actually cultivated. ($\frac{44}{71} \times \frac{71}{71} = \cdot 89$ acres.)

Taking the value of the produce per acre at Rs. 49 as shown in the statistics supplied, the gross income per head of agricultural population comes to Rs. 44 per year. Taking the average number of family members at 5 per head, the total area held by an average family is $\cdot 89 \times 5 = 4 \cdot 45$ acres. Thus average size of a raiyati holding is about 4½ acres with an average gross income of Rs. 220 per family of 5 members. A raiyati holding of 4½ acres in Bengal does not compare favourably with the size of holdings in China and Japan. But the real point is that the pressure on land is increasing very rapidly. The statistics supplied show that between the years 1891 and 1931 the agricultural population has increased from 25·5 millions to 34·2 millions.

I venture to think that the figures may not be so correct and may be more and about 40 millions. (My reason is this:—There must be something wrong in distribution of population between agricultural and non-agricultural. Agricultural population was going on increasing in rapid strides till 1921 and the non-agricultural population was decreasing enormously and as such the sudden fall of 2 millions on the head of agricultural population and the sudden rise of as much as 5 millions of non-agricultural population in 1931 cannot be so well explained unless there was redistribution in classification).

Even assuming that these figures are correct, the pressure on land has increased in the ratio of 25:34, i.e., by 36 per cent. (The correct ratio may be 25:40 or 50 per cent.) If you compare the figures from 1872 the ratio will be still greater. In view of all this, I am of opinion that the size of economic holding of a raiyat with a family of 5 members ought to be at least 36 per cent. more than the existing size of 4·45 acres, i.e., about 6 acres on an average. In jute, tobacco, and sugarcane-growing areas, 5 acres may form an economic holding but in areas growing paddy and paddy only, the size ought to be 7 to 8 acres. But where is all this land to come from? The cultivating classes are suffering from over-population and consequent shortage of area.

Q. 39 to 41. In my answer to the previous question, I have shown by actual calculation that the holdings ought to be bigger to be commensurate with the growing needs of a rapidly expanding population. So long as the population is increasing in such progression, no human device can relieve the pressure on land unless, of course, birth control is resorted to. Consolidation of small holdings, if physically possible in Bengal, can help the cultivators in ploughing, sowing and harvesting—being in one compact block. But it will not yield appreciably more crop to be of real use to him.

Q. 42. I am decidedly of opinion that inequality in distribution of land amongst the cultivators is a point which needs serious consideration. The richer raiyats are purchasing more and more lands, while the poorer raiyats are being left with less and less. This is the inevitable result of conferring on the raiyats the boon of free and unrestricted sale. If the legislature does not see through the mistaken policy even now, the poorer raiyats who form the majority will soon take up the cry of nationalization of land on population basis. It can perhaps be codified even now that no raiyat who has got more than 3 acres of paddy land or 2 acres of jute or tobacco or sugarcane land per head of population should be allowed to purchase more lands. I can only repeat the warnings of Sir Richard Garth and that will help to a great extent. But population has increased by 50 per cent. since the days of Sir Richard. What is now really wanted is land and more land or increasing the productivity of land or increasing the income

of the raiyats from extraneous sources. So long as this is not done, there is no hope for the raiyats, even if by any process they are freed from the liability of paying the annual rent of Re. 1 per bigha yielding more than Rs. 16 per year. The country is suffering from over-population but not from over-taxation or rack renting.

Q. 43. I agree that coparcenary is detrimental to good cultivation but I do not suppose that the evil can be minimised without interfering with the laws of inheritance.

Q. 44. I have no suggestion in the matter other than what I am noting in reply to question 45.

Q. 45. I am of opinion that the co-sharer landlords should be compelled by legislation to arrange for joint collection through a common agent who will bring the quarrelling coparceners closer together by a common tie.

Q. 46-47. The Permanent Settlement was effected by giving to the zamindars only 1/10th of the assessed rental as collection charges and proprietary allowances, even without taking into account the sums likely to remain unrealised. This was an impossible percentage for practical purposes.

The scope of extension of cultivation existed only in the bils and jungles. So in absence of any statutory provision barring the enhancement of rent or conferment or recognition of occupancy rights of the raiyats, the conclusion is irresistible that the idea was to allow the zamindars absolute proprietary right in the real sense of the term with every right to enhance the rents of the raiyats who in those days did not possess even the right of occupancy. Sir Richard Garth writes, "Mr. Field expresses some doubt whether a khudkasht raiyat, so long as he paid his rent could be turned out of his holdings by his landlord. But however this may be, it is certain that before the passing of the Rent Law in 1859 a landlord could and did almost at his pleasure rid himself of objectionable tenants." (Page 380, Rent Law Commission Report, Vol. II.)

According to Mr. Shore's Minutes of June 1789 the rights of the raiyats were "very uncertain and indefinite". If it was ever contemplated to give to such raiyats with uncertain and indefinite right the right of fixity of tenure or fixity of rent, such rights would have been specifically declared and codified. As regards the fixity of tenure nothing was done till 1859 and when it was so done the High Court Judges said that it was an infringement on the subsisting right of the proprietors as already quoted elsewhere.

As regards the fixity of rent it was never done at any time. On the contrary, Regulation XLIV of 1793 was passed granting leases or pattas for a term exceeding 10 years". These facts go to show that

it was never contemplated that the raiyats would have fixity of tenure and fixity of rent.

Q. 48. Certain permanent and mokarari tenures were created by the zamindars before the Permanent Settlement, and they were shown in the quinquennial returns and recognised by the State in limitation of the State demand. Excepting these tenancies and these tenancies only, no other tenancy can claim any fixity of tenure and fixity of rent There was no declaration or stipulation anywhere in the Regulation, as I am aware, requiring the zamindars to secure to the tenants fixity of rent and fixity of tenure. The very enactment of Regulation XLIV prohibiting pattas for a term exceeding 10 years is a proof positive in support of my contention.

Q. 49. The idea underlying the question is that the existing rents of the raiyats should be reduced to the rents they were paying in 1793. The reasons given for this proposal is the "grievances" of the tenants.

Before I proceed to discuss the legality and feasibility of such a proposal which is *prima facie* utopian, it is proper to investigate if the Bengal raiyats have really a grievance in the matter of rent in zamindari area. Rent of Rs. 3 per acre yielding Rs. 49 per acre is not even quit rent. It is almost no rent. No other country in the whole world can offer so low rent. Even if this low rent is made a grievance of, I do not know what to say. While I was settling khas mahal rents in Dacca district, one day I proposed to the raiyats of a mahal a rent of Rs. 3-6 per acre against Rs. 3 which they were paying. I gave the rise of price of staple food crops as a justification for my proposal. It was a jute area and jute was then selling at Rs. 12 per maund or in other words the value of the gross produce was then 17 maunds × Rs. 12 = Rs. 204 per acre. Out of this value of Rs. 204, they were paying Government only Rs. 3 and I proposed annas 6 more and yet they told me that they could not pay even Rs. 3 per acre. I then questioned them if they would feel relieved if the holdings were made altogether rent free. They told me that even that would not really help them as Rs. 3 was really nothing. This is the real nature of their grievance. This is no real grievance. It is all a cooked-up affair. It is impossible to satisfy the growing mentality of these people.

Now let us discuss the utopian idea of reverting to the rent roll of 1793. There is no means of knowing which raiyats were there in 1793 paying which rent. There is no map or record-of-rights of 1793. There is no geneological table to trace the descents of the existing raiyats with all their co-sharers. So the project is chimerical. But I know the next argument would be, why not then reduce the existing rental in ratio of 12 crores: 3 crores, i.e., to ¼th. Will it be possible for any of us to get rice at the price it was selling in 1793? The argument of the raiyats is, if the zamindars do not pay more revenue than

2·57 crores why they would pay 12 crores instead of 2·87 crores. The fact is that these raiyats now refuse to take cognisance of the reality of Permanent Settlement with all its implications. But I have never heard any actual cultivator himself saying so, or arguing like that. This is the argument of those who want to pose as their leaders and must discover a new heaven for them.

Q. 50. It was never intended that rents excepting in cases of recognised mokraridars would remain unaltered. The whole course of the tenancy and rent legislation according to the jurists was in favour of the tenants, infringing on the rights of the proprietors. I have already quoted Sir Barnes Peacock and Sir Richard Garth on the subject. Still the raiyats ask for more. The more you give, the more they want. The demand grows upon the supply and a man's ambition grows upon his success. It was no mistake on part of Government to provide for increase of rent with the increase in prices of food crops. Instead of leaving the zamindars to enhance the rents of the raiyats in their own way, Government intervened and regulated the enhancement on certain fixed principles. Government did this to save the raiyats and not to favour the landlords.

Q. 51. I do not know that it was ever intended that the waste lands should be settled at pargana rates. The term pargana is a misnomer in many districts of Bengal where in one village, lands of several parganas may be found. This "pargana rate" is an old revenue phraseology but I do not know of its existence in actual practice and experience either as a Settlement Officer or as Subdivisional Officer or even as a Manager of khas mahal or Wards estates. Then again for settlement of waste land no pargana rate can be introduced for, in the beginning, the raiyats will have to be tempted by offer of concession rates to cultivate waste lands, otherwise no tenant would go to cultivate the wild waste.

Q. 52. In Bengal, rent is not regulated by any theory of Political Economy or any metaphysical principle, nor is it based on any arithmetical standard of gross produce or net produce. I am of opinion that any attempt to fix and regulate rent in Bengal which is lower than quit rent, being less than 1/16th of the average gross produce, by any formula of Political Economy, or arithmetic will only tend to raise the rate from its present rock-bottom level. I may be permitted to quote here from Mr. Field's Note of 13th April 1880—

"After discussing the matter in all its details at several meetings, I think we are all agreed that it is not possible to devise a general rule for settling and enhancing rent and that no patent remedy of universal application is feasible. For myself I am satisfied that any attempt to formulate and lay down such a rule would eminently be unsafe. That we have not been able to discover any such rule is doubtless due to the same cause as the failure to discover the philosopher's stone."

This is precisely my own view of the matter. Rents in Bengal have been based and regulated by tradition, customary rate, quality, classification of the soil, its natural advantages, its irrigation facilities and diverse other causes. The value of the gross produce or net produce was not taken into consideration within a century and a half at any rate.

Should it be decided to fix a ratio—personally I am very much opposed to it—I can only recommend Manu's formula of 1/6th ratio at normal times. It may be raised to 1/4th at times of war as dictated by Manu. These ratios are not so bad and may not be objected to as the Saracenic ratio is still higher but personally I would always think that settlement and enhancement of rent may be left to be regulated as at present; for the result shows that the Bengal tenantry is least assessed, and as said before, any formula will tend to raise the rates.

Q. 53. Rents paid by the cultivators at present are not based on any of the principles enumerated in question 52 excepting perhaps principle 5. Rents are based on customary rates adjusted according to the change in prices of staple food crops. No agricultural rent is based on competition as a rule, excepting in certain estates which for the time being shall be nameless. Rent is sometimes regulated on classification of the soil which in its turn is based on productivity. Rent in most cases is based at a rate and rarely in lump.

Yes, it is my experience that different landlords within the same village charge different rates of rent according to the custom of different estates. For the same class of land sometimes the rate of rent varies with the advance rent or salami, as it is called, taken at the time of the first settlement. A raiyat of a holding under two or more co-sharer landlords sometimes pays different rates of rent to different groups of landlords. This difference sometimes varies with the influence of the different landlords and sometimes varies according to the advanced rents taken.

Q. 54. It is not my experience that the weaker and the poorer tenants pay higher rent in many estates. But there are black sheep in every fold and it is my experience that rents of some of the more rich and influential tenants are not always enhanced to the same level with others on some plea or other. They are kept placated and used as pawns in the game of some of the designing and oppressing landlords.

Besides the factors enumerated in question 52, the amount of salami or advanced rent is a factor regulating settlement of rent, and I have already discussed that. The will or whim or sometimes the greed of the landlord has played an important part in fixing the rent. These landlords are not generally absentees but they prefer to stay in their

estates to exert their nefarious influence or to over-awe the tenants or to set up one set of tenants against the other.

Q. 55. If and when the whole province is turned into a big Khas Mahal, a fresh settlement of rent based on fresh records-of-rights will be necessary. It will then be possible to introduce standard rates, village by village, for different classes of land keeping in view the existing rates and the market value of all classes of land. I would not go by the gross produce or net produce which is difficult to calculate. Competitive rent is only possible in case of non-agricultural land. To fix rent by competition in respect of agricultural land in a province where the pressure on land is increasing, and there is a scarcity of land already, will give a serious blow to the needy and poor classes of raiyats.

Q. 56. I am not in favour of fixing the rent at a definite share of the produce. It will be reverting to the primitive state. It is possible to fix a rent according to the money value of a share of the produce. But there are serious difficulties in the way. Some lands produce one crop; some produce two or more. It may not be possible to ascertain all this with accuracy. Then again outturn and prices fluctuate. I can once again refer to the word of Mr. Justice Field that it is impossible to standardise a rate for universal adoption but if we must have a ratio, I would recommend the old standard of Manu who over 2,500 years ago fixed it as 1/6th of the gross produce and calculate its money value on the average of last 10 years.

Q. 57. I am not in favour of fixing the raiyati rent in perpetuity. It should be made alterable according to the increasing or decreasing money value once in a generation, i.e., once in 30 years. The ratio of 1/6th may be raised to 1/4th at times of war according to the Code of Manu just as in England in war times the income-tax is raised to a higher pitch of 5 shillings per pound.

Q. 58. There is no advantage in substituting an income-tax for agricultural land. It will be very unpopular, as the history of income-tax in India is quite different. Then again the minimum limit of assessable income will be sure to rise year by year causing greater and greater loss to the State. This is the thin end of wedge suggested by those whose final aim is to abolish all rents and taxes. I cannot advocate this final acceptance of the no-rent propaganda which has been going on in some form or other in certain districts particularly in northern Bengal for the last two years.

Q. 59. I do not quite appreciate the principle of enhancing the rent on the ground of "prevailing rate". The phrase "prevailing rate" sounds simple enough but I never attempted to apply the principle in settling fair rent. In most cases it is difficult to find out what the prevailing rate is; the rate in a mauza might have been fixed 40 or 50

years ago at a rate of annas 12 per bigha on various considerations which the present generation might not remember. To raise it to the level of Re. 1 or Re. 1-2 prevailing in surrounding estates or the mauza is a proposition which does not appeal to me. I would rather change the law.

I am not an admirer also of the principle of enhancing rent on the ground of improvement in fluvial action. I have never used the principle myself. But the point is as the raiyats are entitled to a reduction on account of permanent damage due to deposit of sand, perhaps the enhancement on the grounds of fluvial action was introduced to keep the balance. But there is this difference; rent can be reduced if the land has suffered "permanent" deterioration. But in case of improvement by fluvial action the wording is not "permanent" but "not....merely temporary or casual." There is some difference which to my mind may be rectified. Then again the provision of "one-half of the value of the net increase" may be reduced to 1/3rd, if not to 1/4th.

Q. 60. In reply to question 59, I have already indicated that I do not appreciate the principle underlying the enhancement on the grounds of prevailing rate and of improvement by fluvial action. But as the raiyats are entitled to a reduction on account of deterioration by adverse fluvial action, section 34 may be retained with the following amendments:—

Clause A—The Court shall not take into account any increase which is not likely to prove permanent.

Clause B—"1/3rd" should be inserted in place of 1/2.

Q. 61. No, I do not object to the principle of enhancement on the ground of rise in prices. On the contrary, I consider this to be the only just, reasonable and equitable ground. In the city of Calcutta the value of house properties rises and falls on its letting value, i.e., on the income derivable from the tenants. Similarly, when the value of the produce rises, the land gains in letting value. This is quite consistent with the principle of assessment of rent prevailing everywhere.

Q. 62. Yes, I think the enhancement on the ground of rise in prices of the food-crops should be given even when the land grows only paddy and the whole of the produce is used in domestic consumption. The landlord does not get more rent if instead of raising paddy crops, the raiyat grows jute or hemp or plants for mulberry and lac cultivation. It is always up to the Revenue Officers or the Special Judges to consider individual cases whether it will be fair to allow enhancement if the whole area is under paddy crop and the whole of the crop is consumed by the grower. Section 35 gives him absolute discretion. I would rather suggest that the term "1/2" be substituted for the term 1/3rd. This will lighten the burden of the raiyats still further.

Q. 63. I have already in reply to question 59 taken exception to the enhancement of rent on the ground of prevailing rate, nor am I in favour of reducing rents on the ground of prevailing rates. The existing rents were fixed on various considerations, history of which has been well-nigh forgotten in most cases.

I would delete clause (*a*) of section 30 and sections 31, 31A and 31B.

Q. 64. Some of the under-raiyati rents in North Bengal and in the districts of Howrah and Hooghly are unusually high and appear to be oppressive. I see no reason to object to reduction of all such rents by legislation. Similarly, I quite welcome the idea of regulating the initial contractual rent though I think it will be difficult to enforce such a law in practice in view of the fact that the landlords might finally refuse to settle the land altogether or will take an unduly high premium by the back door.

Q. 65. There is no defect in the law and procedure as laid down in Part II of Chapter X. The only defect I have felt in some cases is the excessive zeal of some of the officers employed on the work. In settling fair rents in private estates a Revenue Officer acts and can afford to act strictly as a judicial officer. He has got to satisfy only his own conscience. But in settling rents in khas mahal and temporarily settled private estates, he feels a bit nervous as the functions of the plaintiff, witness and the judge are rolled up in one and the same man. This may be one of the grounds why the average rent in the zamindari area is Rs. 3 per acre but in khas mahal it is Rs. 4-11 per acre.

Q. 66. No, not that I know of.

Q. 67. I am not expected to know what the policy of Government is in ordering periodical settlements in khas mahal and temporarily settled estates. As the settlement is not permanent, these periodical settlements have got to be undertaken at some cost. This is another point in favour of a Permanent Settlement.

These revisional settlements were used to be made in the past not under the Bengal Tenancy Act, but under Regulation VII of 1822 which aims not at a "general and extensive enhancement of the jama" but to "equalise the public burden". These settlements have got to be made particularly in the riparian areas primarily for assessment of the excess area which automatically increases the revenue.

Q. 68 and 69. I would prefer not to answer these questions or to answer them confidentially.

Q. 70. There may be diverse reasons why there are different rates for the same class of lands in different districts. That is so in private estates also. The rents in Bengal are based on tradition and custom

and not on any theory or mathematical standard. The average rate of rent in Hooghly and Howrah is Rs. 7 to Rs. 8 per acre. There is absolutely no reason why in these districts in making or revising settlements any Settlement Officer should propose a rate of Rs. 3-2 to Rs. 4-11 which prevails in Dacca or Faridpur. That would be throwing away revenue which is legitimately due. I cannot advocate such like blind uniformity.

Q. 71. A zamindar never thinks of applying for remission of land revenue nor can he afford to do so. Before he can apply for remission of land revenue of his estate, assessed say at Rs. 100, he has got to forego his total raiyatwari rental which may be even Rs. 1,000, of which he may be able to collect Rs. 200 even in years of calamity. So the process does not pay him. If he can get remission of revenue in proportion of his remission of rents, some of the zamindars will not be found backward in coming forward to grant remission and to apply for remission. Just at present, the zamindars sometimes remit rents wholly or in part to individual tenants or groups of tenants without expecting anything in return from Government.

Widespread calamities are very few and far between. My own experience is that the khas mahal never bother to come up for remission nor does the Collector feel justified to allow it. This is a general reply to a general question. If specific instances are quoted, specific replies can be given by Collectors concerned. This "sufficiency of the extent" can only be judged by the Collector on the spot without yielding to manufactured complaints and extending his sympathy to the deserving cases. I do not know of the failure of any Collector in any such cases.

Q. 72. The statistics supplied by the Land Revenue Commission may be taken as generally correct. Cost-rates vary from district to district according to the rates of wages in different districts. The cost of production of broadcast paddy in Bakarganj, Faridpur and Dacca and other eastern districts will be far less than the cost of production of transplanted paddy in northern districts. The yield will also vary—transplanted paddy always yielding more. Cost of production of jute depends entirely on the rates of wages which, as I have said before, vary from annas 3-6 to Re. 1 in the jute harvest season. So statistics will have to be prepared district by district and sometimes different statistics within the same district according to the nature of crop and the rates of wages.

Q. 73. I have no evidence that the productivity of the soil in Bengal is generally on the decrease. On the contrary, in the riparian areas the soil is rejuvenated every year by the deposit of rich silt. But I know, that on account of the shortage of rainfall in the rarh area the

productivity was on the decrease but this year there was an abnormal rainfall and there has been an abnormally bumper crop again. The outturn of crop is more or less a gamble in rain. In certain areas, raiyats are lowering or exhausting the fertility of the soil by growing too many crops, one after the other, without allowing the land any rest. I cannot blame the raiyats so much, for to make up for the shortage in area they have now got to grow two or more crops where only one crop used to grow before. This certainly exhausts the fertility of the soil. The remaining portion of this question can be better answered by the Agriculture Department.

Q. 74 to 76. Perhaps no reply to these questions is expected from me.

Q. 77. The present uneconomic condition of the Bengal raiyats is due to:—

(*i*) Overpopulation and consequent diminution in the size of the holdings.

(*ii*) Rise in their standard of living without a corresponding rise in their income.

(*iii*) Want of foresight and thrift and waste of money over ceremonies, festivals and avoidable litigations.

(*iv*) Absence of subsidiary occupation, business, profession or industry.

(*v*) Indolence compared with other parts of northern India, particularly of the Punjab and not due to land revenue policy of Government which has on the contrary helped them to enjoy lands at a lower rate of rent compared with other provinces and countries.

Q. 78. The average gross income from land of a raiyat with a family of 5 members is Rs. 220 a year as calculated by me in answer to question 38. It is interesting to note here what the average income of a landlord's family is. According to the Dacca Settlement Report, page 44 (para. 95) it is Rs. 235.

It is difficult to calculate the average income of a raiyat from other sources. Sale of fruits, sale of dairy produce and of poultry bring in something. They are now going to schools and colleges and getting into services and professions to augment their incomes on land. They are all maintaining their families on their income. Beggars are few in rural areas and cases of starvation almost unknown. The fact that the agricultural population is increasing in phenomenal proportion in spite of the spread of Malaria and other diseases does not go to show that they are half-starved and losing in strength and vitality.

The standard of living of a cultivator in Bengal is to be judged not by any European standard but it should be judged by the standard in other provinces in India.

Q. 79. I do not find that there is at present any system of organisation for the maintenance of the land records. As regards records of proprietory rights there is a codified system of land registration. But in spite of the statutory provision for penalising the defaulters who fail to get their names registered, it will be no exaggeration to say that 25 to 60 per cent. of the entries in the Land Registration Register were found during the district settlement operation out of date. No system of noting the changes in ownership of tenures and holdings was ever organised . Record-of-rights is going out of date. The private landlords do not maintain their records-of-rights. The tahsildars of Crown estates and Court of Ward estates are expected to maintain their khatians. But they only record changes when notices are received from the Sub-Registrar through the Collector notifying transfers. Mutations on account of death and inheritance are not noted in most cases and their khatians cannot be said to be up to date. I have no idea of the process of maintenance of records in the United Provinces. In areas where periodical record-of-rights is prepared say once in 15 or 30 years it is easier to maintain the records.

It is possible to suggest how the records can be maintained after a record-of-rights is prepared, if it is settled who will pay for this. If and when all the landlords of all grades are eliminated and a fresh record-of-rights prepared, the question of maintaining the new records can be profitably taken up.

Q. 80. Suggestions, contained in this question, if acted upon will go a great way towards augmenting the income of the raiyat but I am for starting cotton mills and sugar factories to supply more work and to augment their income more.

Q. 81. The main reason of the poverty of the agriculturists is their overpopulation and consequent pressure on land, I have tabled the other causes in reply to question 77.

In reply to question 38, I have shown that a raiyat needs 6 acres of land instead of 4½ acres which he holds at present. So if these raiyats are to live on land alone without attempting to increase their income by any means other than agriculture, 25 per cent. of the population will be found in excess for the needs of agriculture. But in reality they have other sources of income. Dacca Settlement Report shows that at least 12 per cent. of the raiyats have got other sources. In the district of Howrah practically all of them have got other sources.

Q. 82. In reply to question 80, I have shown that I consider starting mills and factories as a good means of easing the situation. In fact, I have been systematically advocating this for years together. Records may still be valuable of such notes and letters of mine in the Dacca Magistracy. Of course, I suggested that to relieve the phenomenal unemployment amongst the middle classes as an antidote to terrorism. I can repeat the same remedy in the case of the surplus agricultural population also.

Q. 83. The question of agricultural credit is the question of the hour. The indigenous bankers have closed their doors, and no State banks have come in yet. The result is a tragedy. In one of my tours in Rangpur district, I found lands going out of cultivation and on enquiry I learnt that raiyats have given up cultivation for want of plough cattle. When I enquired why they did not buy new cattle, the answer I had was that the mahajans had closed their doors.

If all the banks in Calcutta close their doors to-day to all firms and business houses, the flourishing trade and commerce of Calcutta will collapse in a month, and if the situation continues longer the city of Calcutta will be more like a deserted city. That is the exact situation in the interior. The old banking families have closed their doors and the State has not stepped in yet. This needs urgent consideration and far more urgent than the question of overlordism. Some rural banks are badly wanted in the interior.

Q. 84. I have not calculated the percentage of gross income that goes to the mahajan any more than I have calculated what percentage of the net income of the Calcutta merchants goes to the banks which finance them.

Q. 85. The co-operative credit system in Bengal, so far as I could see as a Subdivisional Officer in 4 different districts and as a Chairman of 5 Central Co-operative Banks in East Bengal and West Bengal, did not impress me as playing much important part in the system of rural credit. The movement has not as yet touched the fringe of the problem. There are rural co-operative societies all over the province but without much spirit of co-operation. Mostly those who do not or cannot get any more loans from a mahajan join the movement. The Chairmen and Secretaries of these societies are generally the worst debtors of these banks and sometimes they enlist other members through whom they can get more loans in benami. This may be an exaggerated picture drawn by an old man who has lost the robust optimism of youth but the real picture may not be very much different. When with the slump in the price of jute came a financial crisis, the mahajans were seen in some cases to compound their claim of interest. I know of a money lender who happened to be the President of a Union Board who was

remitting 5 per cent. of the principal to get back his balance without claim to interest. But as the Chairman of the local Central Co-operative Bank, I could not arrange for a partial remission of the interest as the Provincial Bank would not reduce the rate of interest at which they advanced money to the Central Bank. My own idea is that the co-operative movement, as it was known or it was being conducted in the districts I have worked, will not be able to solve the problem of rural credit.

Q. 86. How far the Debt Settlement Boards have been able to deal with the problem of agricultural debts and what defects there are in the working of the Bengal Agricultural Debtors Act have been very recently discussed and answered by Mr. Townend, the Commissioner of the Burdwan division addressing a divisional Durbar. Mr. Townend was the author of the Bill and he now shows how the designing persons are abusing the provisions of the Act as passed. As a person managing the estate of the Premier Nobleman of Bengal, I have been watching the ways of these Boards. No cases are being disposed of. These Boards have become a clog to the wheels of the management of estates. A defaulting raiyat never appears to file an objection in a certificate case. He never turns up to ask for any remission of interest and keeps quiet all the time till the date of sale, on which day he appears triumphantly brandishing a parwana printed on yellow paper staying the sale. And this stay order means that the Courts are gagged and the defaulting raiyat is safe for at least another year and the landlord and the Courts stand paralysed. It is high time for the Government of the day to institute an enquiry how these rural insolvency Courts are actually functioning and to what benefit of the landlords and other creditors. It is no conciliation of debts. It looks like cancellation of debts and liabilities ignoring the sanctity of loans and contracts. And I trust that after Mr. Townend's condemnation of the working of these Boards, such an enquiry becomes almost imperative.

Q. 87. As the indigenous banks have closed their doors and as the existing co-operative credit societies have not succeeded in course of a generation and the prospect of success of the Debt Settlement Boards is still more doubtful, the only course now left is for Government to establish their own banks to finance agricultural credit provided there is a reasonable guarantee that the project will not land the whole province in Carey Street.

Q. 88. I have not seen the working of any Land Mortgage Bank to enable me to offer any criticism, destructive or constructive. But all that I can say and should say is that so long as the debtors in Bengal do not give up their present tactics of attempting to defraud the creditors, adopting all sorts of ugly devices and fraudulent means, I do

not feel encouraged to say that any form of rural credit which human ingenuity can device is likely to succeed. What is really wanted is that debtors of the present day should revert to the standard of conscience, honesty and morality of the last generation and respect the sanctity of loans and contracts.

Q. 89. Rent suits and execution proceedings for realisation of rents are not only costly and cumbrous but are very dilatory. They are equally expensive for the tenants. Certificate procedure is less costly and less cumbrous and more speedy and I would advocate its introduction in all estates.

Q. 90. For the reasons given in my answer to question 89, the certificate procedure ought to suit all parties best. The tenants condemn it because it is rather swift. If the rent is to be realised at all, the question is how it can be best realised within a short time costing least to all concerned. A certificate procedure is never harassing. I am really anxious to ascertain how it is harassing and how it is objectionable. I am now the only person in Bengal who is still exercising the power of realising rents by certificate procedure. That is why I am really so anxious to ascertain in which way it is worse than the rent suit. I have often questioned the tenants and their accredited leaders to give me their specific points against certificate procedure. That they cannot say, but they simply say that the procedure is bad.

I would make one suggestion about the certificate procedure and it is this: In practice the distress warrant is issued only once and sometimes when the raiyat has no crop or cash in hand. The certificate-holder should be given the option of getting out the distress warrant when he considers that the distress warrants are likely to succeed and that no sale proclamation should be issued as a matter of routine.

Q. 91. Yes I am in favour of having one Code of Revenue Laws embodying the principles and substances of all the unrepealed laws written in simpler and more modern English.

Q. 92. In my humble opinion, Regulation VIII of 1819 (Patni Regulation) is felt to be too hard at a time when it is very difficult for the patnidars to realise rents from the raiyats. Patnidars are left with so little margin of profits that they cannot pay so punctually. The Revenue Sale Law does not operate so harshly on 75 per cent. of the zamindars who have got a better margin of profit.

I would amend the Bengal Tenancy Act still further by (1) deleting section 30 (*a*) which provides for enhancement of rent on the ground of prevailing rate. Sections 31, 31A and 31B will therefore have to be deleted also; (2) substituting "one-half" for "one-third" in clause (*b*) of section 32. This will lessen the liability of the raiyats to pay so

much on the ground of rise in prices of the staple food crops; and (3) substituting the following words for the existing clause (*a*) of section 34:—

"The Court shall not take into account any increase which is not likely to prove permanent".

Substituting "one-third" for "one-half" in clause (*b*) of section 34.

Q. 93. The greater facility given to the raiyats to sell their holdings will only impoverish them all the more. It will add to the growth of big jotedars and extension of the barga system as already discussed before.

On the head of landlord fees the landlords will lose 3 per cent. of their income at a time when they are being saddled with imposition of Free Primary Education Cess and when the operation of the Debt Settlement Board is seriously impeding collection work and collections are failing in all estates. The total loss to the zamindars on this head will be about 40 lakhs of rupees. I would have much preferred to retain this transfer fee to give 10 per cent. of it to the landlord to cover their mutation cost and to transfer the balance of 90 per cent. to the provincial revenue to augment the financial resources of the province. This would have been no new imposition at all and this arrangement would have helped to compensate the landlords and to retain for them one of the attributes of their proprietary rights and it would have added at the same time about 35 lakhs of rupees to the provincial revenues by way of an indirect taxation in these days when direct taxation is so much resented.

Oral evidence of Rai Bahadur K. P. Maitra, Manager, Nawab Bahadur's Estate, Murshidabad, on 23rd January 1939.

The Chairman complimented Rai Bahadur K. P. Maitra on his clear and detailed reply. He proposed that members should only question the witness in order to elucidate any points that were not quite clear, and asked Khan Bahadur A. Momin, C.I.E., to open the examination.

In reply to Khan Bahadur A. Momin the witness said that any rights which the tenants possessed at the time of the Permanent Settlement were vague and undefined, and that there was no such thing as an occupancy right in the sense of the term as we now understand it. He maintained that the raiyats had only permissive occupation of the lands in their possession at the time of the Permanent Settlement, and were not proprietors of the soil. From the Permanent Settlement up till 1859 the zamindars had absolute rights to do whatever they liked,

and could choose their tenants or eject them arbitrarily. He quoted Sir Richard Garth and Sir Barnes Peacock as authorities in support of his statement.

He regarded the Permanent Settlement as a contract with the zamindars which was "sacrosanct, inviolate and inviolable." It had certainly limited the land revenue demand, but land revenue is not the only source of Government's income. He thought that the tenants were not direct parties to the contract made at the Permanent Settlement although in view of the fact that section 8 of the Permanent Settlement Regulation was enacted in the interest of the tenants, they might be regarded as parties to the contract indirectly.

He held that there was no question of fixity of rent at the time of Permanent Settlement, except in the case of tenants who were holding pattas, although in the case of others, who have been paying the same rent unchanged for more than a century, it would be equitable to presume that there must have been some condition which enjoined that the rent was not to be enhanced. But the wording of section 6 and 50 (*1*), Bengal Tenancy Act, does not lead to the conclusion that rent was fixed at the Permanent Settlement. Rent is on the average low in Bengal. When he was in the Settlement Department he had calculated that in some East Bengal districts rent was less than 1/20th of the value of the produce. At that time jute was selling at Rs. 12 a maund. Asked how the Permanent Settlement could be considered to have benefited the tenants in any way, he said that it was a comparative question: in order to come to a correct answer it would be necessary first to find out if the raiyats were more prosperous before the Permanent Settlement than after it.

Replying to Khan Bahadur Muazzamuddin Hosain he reiterated his view that, just as in the case of the talukdars, the Permanent Settlement had certainly not taken away any specific rights which the raiyats might have been enjoying.

In reply to a quotation from Tagore's Law Lectures to the effect that the raiyats are the proprietors of the soil, he invited attention to his answer to question 24 where he had quoted Sir J. Shore's view that the rights of tenants were vague and undefined. The subject was one on which there were conflicting views, but he preferred the opinion of an authority who wrote at the time of the Permanent Settlement, to one given more than a century later.

He agreed that in 1793 pattas were to be given to all tenants, but pointed out that the right conferred by patta was limited by Regulation XLIV of 1793, which prescribed a term not exceeding 10 years.

Replying to the Maharajadhiraja Bahadur of Burdwan, he said that the Permanent Settlement did not affect any existing rights of third parties, e.g., talukdars.

In the event of landholders and tenure-holders being bought out he would be in favour of compensating all of them; but he regarded the Permanent Settlement as an inviolable contract which the State could not abrogate. If that could be abrogated, any other agreement could be set aside and there would be no sanctity of contract.

The tenants had no proprietary rights. If they had, no zamindar could create a patni or other intermediate tenure between himself and the tenants: whereas in fact many such tenures had been created.

Replying to Dr. R. K. Mukherjee he said that though Regulation VII of 1799 contains a mention of the words "right of occupancy," they were not used in the same sense as in the Bengal Tenancy Act. He quoted Field to show that although there was some doubt whether a khudkasht raiyat could be ejected if he paid his rent regularly, such ejectments had in practice been made prior to 1859. Custom and usage had not been abolished at the Permanent Settlement. If the raiyats had certain rights at the Permanent Settlement by custom, those rights subsisted. But Regulation VII of 1799 would itself show what sort of rights the tenants had. By that Regulation their property was put at the mercy of the landlords. It had certainly been enjoined on the zamindars that they should behave with moderation towards their tenants. This might mean that they should not make frequent or heavy enhancements.

He did not agree that landlords who came into possession of estates by purchase should be treated in a different category from those who are descendants of the original zamindars. The contract was equally binding in the case of landlords who had acquired by purchase the rights of the original zamindars.

Asked by Khan Bahadur A. Momin whether he had considered the reason for the low rent in Bengal, he said that "high" and "low" are comparative terms. He referred to the proportion of the produce payable under Manu's Code, the Saracenic and Roman law, and the average rate prevailing in khas mahals. In comparison with these, the average rate in permanently settled estates is low. He considered that the tenants are generally well off and that it is wrong to say that most of the profit goes to the Landlord. Out of Rs. 49, gross produce per acre, only Rs. 3 goes to the landlord. These were the figures supplied to him by the Commission. Rent in Bengal is very low compared with that prevailing in other provinces of India.

He agreed that since the Permanent Settlement, the zamindars' income might have increased fourfold but he took exception to the statement that this had happened "at the expense of the tenants." Increase of the zamindars' income was due to extension of cultivation and enhancements. He agreed that by making enhancements, the zamindars decreased the profit of the tenants, but maintained that they were entitled to enhance rents. It was simply a question of political economy. The zamindars could not be blamed for charging only Rs. 3 per acre as against Rs. 4-11 in khas mahals.

The income of the tenants had increased because with the fall in the price of silver the purchasing power had increased.

In reply to Khan Bahadur Muazzamuddin Hosain he said that two issues arose at the time of the Permanent Settlement:—

(1) Whether the zamindars had proprietary rights.

(2) Whether the settlement with them should be permanent. Sir P. Francis was the first to propose a Permanent Settlement. Shore opposed this, though he considered that the zamindars had proprietary rights. Lord Cornwallis agreed on the latter point with Shore, but had to differ on the former, because he came out with the authortiy of the Directors and of Parliament to conclude a Permanent Settlement.

He agreed that at the time of the Permanent Settlement landlords could not turn out hereditary tenants who paid their rent regularly.

In reply to a quotation indicating Shore's opinion that rents were meant to be fixed in perpetuity at the Permanent Settlement, he replied that this might be a correct statement of Shore's opinion before the Permanent Settlement, but that opinion had not been embodied in the Permanent Settlement Regulation.

In reply to Khan Bahadur A. Momin he agreed that about Rs. 8 crores was being lost annually. But had there been temporary settlements instead of Permanent Settlement, Government would still have got only 3 crores, unless rents had been periodically enhanced. Had management been khas the 10 per cent. allowance to the zamindar would have been saved, but mostly spent again in collection costs. He regarded subinfeudation as a necessary evil consequent upon the Permanent Settlement. He thought it occurred mostly in areas where jungle had been cleared or swamps brought under cultivation, but in West Bengal it was due to other reasons.

He did not agree that the zamindari system is, generally speaking, harassing to the tenants. There are black sheep in every fold, but he would not revise his opinion that the Permanent Settlement has been

for the greatest good of the greatest number. His main reason for saying so is that the average rent in permanently settled areas is lower than that anywhere else. So far as Bengal is concerned rent is not regulated by any theories of political economy.

Replying to Khan Bahadur M. Hosain he said that an economic rent in Bengal would be at least Rs. 10 an acre. He thought the tenants are in a position to pay their rents, and compared the condition of cultivators in Madras where rents are much higher. He had not heard of the theory advocating that no rent should be charged from holdings which yield no profit, on the same analogy that no income-tax is charged below a certain scale of income. He was definite that cultivators in Bengal have a sufficient surplus from which to pay rent. If that was not true, he shuddered to think what their condition in other provinces must be. He considered that Rs. 220 per annum was sufficient income for the maintenance of a family. He was aware that Rs. 41 a head per annum was the dietary rate in jails. He agreed that subinfeudation is a necessary evil but considered it to be a question of practical politics, and cited the case of the Maharajadhiraja Bahadur of Burdwan to show how impracticable it was for him to attend to the interests of his tenants in Bankura without the help of an intermediary. He mentioned that in Bakarganj, where subinfeudation is greatest, the tenants are most prosperous: whereas in Bankura, where there is little subinfeudation, they are very badly off.

He regarded a rise in the price of staple food crops as a logical and fair ground of enhancement. When the pay of ministerial officers was revised, the ground for revision was the prevailing prices.

In reply to Khan Bahadur Hashem Ali Khan he said that subinfeudation has not been caused by the Permanent Settlement but is a necessary consequence of it. He estimated the cost of collection at about 13 per cent., or at 15 per cent. including law costs. Arrears of rent are now increasing.

The average incidence of revenue per acre would be between Re. 1 to Rs. 2 in West Bengal, and much less in East Bengal.

There is no reason why landlords should not get the unearned increment on land. If the value of land in the neighbourhood of Calcutta goes up from Rs. 100 to Rs. 20,000 a bigha, that is no reason for penalising the landlord.

The tenants in Bakarganj are more indolent than elsewhere. They grow only one crop, and have it reaped by hired labour. The raiyats in Bengal are better off than those in any other province.

Government as a model landlord spends money annually on improvements in khas mahal estates. In some permanently settled estates the landlords have also made improvements, partly to benefit their tenants and partly to secure their own income. He would not agree that the landlords have done nothing to benefit their tenants. The Murshidabad estate spends Rs. 3,000 to Rs. 5,000 a year in improvements, and many zamindars contribute to hospitals, education, etc.

In reply to Dr. Mukherji he agreed that about 8 crores are intercepted by landlords and tenure-holders and that income-tax is higher in Bengal than in any other province.

The reason for the higher incidence of rent in khas mahal estates is that Government has made periodic surveys and assessments.

In reply to the Chairman he said he had advocated bonds that would be free of income-tax, because according to the calculation in his reply to question 14 the compensation payable to zamindars would be Rs. 700 for every Rs. 1,000 of their present profit. If income-tax is charged, the amount of compensation would be less than Rs. 600, which would be too little. He did not ordinarily regard bargadars as raiyats and was not in favour of granting occupancy rights to all of them. Protection of their interests postulates protection against some one else. He cited the case where a landlord is unable to settle a khas purchased holding and has to give it in barga settlement. If rights are granted to such bargadars the landlord would be deprived of his salami. Sir F. A. Sachse pointed out that no compensation was given when occupancy rights were granted. The witness agreed but differentiated the two cases, because in the example given by him the land was in the landlord's khas possession whereas in the other case it was already in the tenants' possession.

Asked by the Chairman whether the statutory raiyat might not profiteer at the expense of the bargadar, he said the position was really that of a contract. If the barga system was now extending, that might indicate that the share paid by the bargadar is not excessive or uneconomic. There is now competition for barga land. If the system were uneconomic bargadars would surrender their land. Bargadars cultivate indifferently because they have no security.

He was not in favour of protecting raiyats who had been sold up and have become bargadars on their old holdings. There was no logical reason why a tenant who had paid no rent for 4 years and had been sold up should be allowed back on the same terms.

The Chairman enquired whether a better system of collecting rent might not be the solution. The witness replied that this would largely solve the whole problem.

The present-day tendency for the moneyed classes to invest in houses in cities, in shares and other securities rather than in land, was due to the comparative insecurity of land investment. He thought the reason for this insecurity was not so much the inability of tenants to pay, as the faulty procedure for realisation of the landlords' dues.

In reply to the Maharaja Bahadur of Burdwan he said that the pledge given at the Permanent Settlement could only be broken if compensation is paid. This could be done with Government bonds, and no money would be required. All intermediate interests should be bought out at 20 times their profit. The market value of estates 2 years ago was 20 times their profit: *Cf.* the purchase of part of the Kakina estate by the Murshidabad estate.

According to the Land Acquisition Manual the value on which compensation is assessed is that existing before the proceedings are published. Similarly compensation to landlords should be calculated on the value prevailing before the recent agitation against the zamindari system arose. The present price would depend on the amount of anti-zamindari propaganda in a particular locality.

In reply to Khan Bahadur Hashem Ali Khan he said he could not agree that the value of land has fallen by 1/3rd. It is possible now to get more than 10 times the net profit of an estate.

The tenants are in a position to pay their dues, but there has been a change in their mentality.

There has been propaganda against the zamindari system and the tenants have been incited not to bid for khas purchased holdings at sales. He would only grant occupancy rights to those bargadars who have been recorded as tenants: their rights still subsist.

There is still a demand for land owing to overpopulation, and he did not think that large areas would go out of cultivation if the barga system is restricted.

In reply to Sir F. A. Sachse, he agreed that after bargadar has been in occupation for 4 years or so, the arrears of rent for which that holding was sold are automatically cleared off. He would be prepared to consider more favourable terms than half the crop after 4 years, but he thought that in practice half the crop rarely reaches the landlord.

Replying to the Chairman he said he was in favour of restricting transfer. He advocated the system introduced in Bihar by which a tenant holding a certain area is debarred from purchasing any more land. Purchase by non-cultivators is not desirable and tends to decrease the value of land.

In the event of the landlords being bought out, the big jotedars should be bought out along with other middlemen. If the State became the sole landlord, he thought there would be political repercussions and that a programme of reduced rents would be a common election promise.

He considered that the imposition of income-tax on agricultural incomes would be impracticable in the case of the tenants. In the case of the zamindars it would raise the question whether it was not a breach of the Permanent Settlement pledge.

He agreed that income-tax on agricultural incomes had been imposed in the 1860's, but had been removed after a short while. He also agreed that the Taxation Enquiry Committee had come to the conclusion that there can be no theoretical objection to taxing agricultural incomes, and he himself would agree to it, provided it was moderate and could be borne.

In reply to the Maharaja Bahadur of Burdwan he agreed that the scale of income-tax should be graded according to a landlord's margin of profit. In West Bengal, Dinajpur, and the areas near Calcutta, the assessment of revenue was high at the Permanent Settlement, while in East Bengal and most of North Bengal it was low. He mentioned an estate in Dacca division which pays revenue of Rs. 300 and collects 3 lakhs.

He considered that the tenants in khas mahal estates are contented; their only complaint is that they are made to pay up their rent punctually.

He thought that the position of the patnidars had become difficult in the last few years, owing to increasing difficulty in collecting rent and the establishment of Debt Settlement Boards. Either Regulation VIII of 1819 should be abolished, or the patnidars should be given greater facilities to realise their rents.

In reply to Khan Bahadur Muazzamuddin Hosain, he agreed that there should be an agency for the provision of agricultural credit. The mahajans had been frightened off by Debt Settlement Boards, and Government would have to take the initiative unless conditions improve.

Reply by Rai J. N. Sircar Bahadur, B.A., B.C.S. (Retd.), Manager, Cossimbazar Raj Wards' Estate.

Q. 1. The description is not exhaustive. There were many other circumstances which made Permanent Settlement the only possible solution and an imperative necessity. The main grounds may be summarised as follows:—

(1) *The urgent necessity of securing a fixed permanent income to relieve the financial strain.*—The Company had to pay under the Dewani Altamgha 26 lakhs of rupees annually to the Emperor. Besides this they had to maintain an army and bear all the expenses of civil justice. They had further to contribute Rs. 53,00,000 towards the household expenditure and other expenses of the Nawab Nazim. "There were territorial payments in England which (during 1814-15 to 1828-29) amounted to £23,825,712, or an annual average of £1,588,381." (page 100 of Banerjea's "Indian Finance in the days of the Company, 1928" Macmillan & Co.). Money was also required for "investments". This was the name given to "a certain portion of the territorial revenue set apart every year to be employed in the purchase of goods for exportation to England" (p. 24, ibid). Figures, under this head from the year 1766 to 1780 are given below:—

Year.	Amount. £	Year.	Amount. £
1766	437,511	1774	648,867
1767	565,461	1775	932,837
1768	658,338	1776	788,623
1769	742,286	1777	1,082,233
1770	663,665	1778	1,266,224
1771	768,458	1779	1,082,453
1772	865,878	1780	1,254,958
1773	632,572		

(Appendix No. 6 to the Ninth Report of the Select Committee, 1783.)

The conquest of other provinces and the unsettled conditions of the country required large sums. I may quote again from Mr. Banerjea:—

"Bengal's revenues as usual were more than sufficient to meet her expenditure. But year after year, she was called upon to meet the deficiencies of the other Presidencies and to finance most of the schemes of conquest." (pages 83-84, ib.).

Deficiencies of not only other provinces but of far distant countries had to be met:—

"This (the surplus in the years 1814-15 to 1828-29), of course, was exclusive of the expenses of the subordinate settlements of Bencoolen,

Prince of Wales's Island, Singapore and St. Helena. It would certainly strike an impartial observer as strange that, although India derived no benefit from these settlements, her revenues should have been called upon to meet the deficiency at all these places." (p. 100 ibid).

It is clear that financial embarassments were very grave and steady receipt of the largest possible land revenue was an imperative and immediate necessity.

(2) *Failure of attempt at direct collections.*—Both the Moghul Government and the East India Company failed in their attempts at direct collection. Murshed Kuli Khan (Jaffar Khan) in 1722 tried to make direct collection by the hastabood method. He obtained a small increase by adopting the severest measures. Sir John Shore in paragraph 15 of his Minute, dated 18th June 1789, observed: "Yet moderate as this addition (Total of Rs. 24,18,298 in 140 years since Toder Mal assessment) may appear, that part of it imposed by Jaffar Khan, and amounting to Rs. 14,31,136 was obtained by measures of the greatest severity; the zamindars, with few if any exceptions, were dispossessed of all management in the collections, and his own officers were employed to scrutinise the land and their produce. The severity employed upon renters in arrears, and upon the zamindars to compel them to a discovery of their resources, were disgraceful to humanity." The system was tried till 1725 and was found to be a complete failure. His successor Shuja Khan released the zamindars and restored most of them to the management of their lands and reverted to the old system. Sir John Shore proved conclusively that the figures of the Moghul assessment were unreliable and on that account probably excessive. He observed that: "The balance of unpaid revenue at the end of the Bengali year 1168, answering to the period between April 1761 and 1762, is stated in the public accounts at Rs. 79,74,065." (Fifth Report App. I, para. 47.) For subsequent years he gave detailed figures:—

Year.	Administrator.	Assessment.	Collection.	Balance.
		Sicca Rs.	Sicca Rs.	Sicca Rs.
1762-63	Cosim Ali Khan (*d*) ..	2,41,18,912	65,60,992	2,55,31,986
1763-64	Nandakumar Banerjee (*e*) ..	1,77,04,766	1,04,96,453(*a*)	1,00,86,358
1764-65	Do. (*e*) ..	1,76,97,678	1,06,68,328(*b*)	95,22,145
1765-66	Mahammad Reza Khan (*e*)	1,60,29,002	1,47,04,876(*c*)	13,24,135

(*vide* abstracts 5, 6 and 7 annexed to Sir John Shore's Minute in App. I to Fifth Report.)

(*a*) Includes Rs. 2,05,046 collected after the end of the year.

(*b*) Includes Rs. 5,73,092 collected after the end of the year.

(*c*) Includes Rs. 2,07,964 collected after the end of the year.

(*d*) Inclusive of ceded districts.

(*e*) The figures are exclusive of ceded districts (24-Parganas, Burdwan, Chittagong and Midnapore).

At first, attempt was made to collect through Mahammad Reza Khan, the Deputy or Naib Nazim. This was a failure and in 1769 supervisors were appointed for preparing rent rolls, examining titles and all matters connected with settlement of land revenue and revenue collections with a view to direct collection by the Company, ignoring the zamindars. They were to work under two Councils of Revenue established at Patna and Murshidabad in 1770. This system also failed. On May 11, 1772, the Court of Directors issued a proclamation stating that the Company was determined to stand forth as Dewan, i.e., to collect its own revenue and to administer the fiscal system itself. The post of Md. Reza Khan as Naib Dewan was abolished. Supervisors failed to prepare rent rolls and the Council decided that the four junior members should form a Committee of Circuit, and make settlements locally by auction for periods of 5 years irrespective of claims of zamindars. Thus the ijara (farming) system as opposed to zamindari system was adopted. This proved ruinous. The estates were knocked down to speculators at a revenue which, as the old zamindars knew, the estates were unable to bear. The only hope of the farmers was to extort what they could and leave the estates ruined and deserted. Quinquennial settlement of Dacca Province amounted to over Rs. 38,00,000 against 19¼ lakhs in 1722 but the arrears averaged 8 lakhs per annum. Similar conditions prevailed in other districts. This effort resulted in the extinction of skilled, though corrupt, collecting agency and the substitution of an untrained foreign agency (*vide* Ascoli's Early Revenue History of Bengal). When this system failed a controlling Committee of Revenue was formed at Calcutta (1773) with 6 subordinate provincial Councils at Calcutta, Murshidabad, Patna, Dacca, Burdwan and Dinajpur. Collectors were abolished and amils were entrusted with the collection of the jama of previous year. The result was again unsuccessful. On 20th February 1781, a new system was introduced with 4 covenanted servants of the Company forming a Committee of Revenue, the provincial Councils were dissolved the Collectors were restored, the post of Superintendent of Khalsa was abolished and the Kanungos were restored. When all the systems had failed, Barwell on March 28, 1775 and Francis on January 22, 1776, advocated settlement with zamindars. Warren Hastings concurred. The Permanent Settlement with zamindars was therefore not because it was intended to show any special favour to the zamindars but inasmuch as all other systems had failed. The main object was to place the revenue collection on a stable basis, through this agency and to secure an assured income of Rs. 2,60,00,000 from the 3 provinces of Bengal, Bihar and Orissa. The net result of the Decennial Settlement is thus recorded in the Fifth Report (p. 18):—

"The whole amount of land revenue, by these means, and by this agency, obtained from the provinces of Bengal, Bihar and Orissa,

ultimately proved for the year 1197, corresponding with the year 1790-91 to Sicca Rs. 2,68,00,989 or £3,108,915."

(3) *To reduce cost of collection of revenue.*—The experiment made at different systems enumerated in (I) above showed that in order to make direct raiyatwari collection practicable, it was essential to prepare records-of-rights of all classes of persons holding lands which would have involved enormous expense and a trained and experienced agency which was totally lacking. To give an idea of the amount necessary for doing this kind of work, the costs actually incurred in preparing records-of-rights in the course of district settlements undertaken in recent times are given below of certain districts:—

	Rs.
Bankura ...	25,03,000
Midnapore ...	45,53,000
Jessore ...	28,89,000
Khulna ...	8,26,000
Faridpur ...	21,28,000
Dacca ...	26,54,000
Mymensingh ...	59,12,000
Rajshahi ...	25,69,000
Tippera ...	22,53,000
Noakhali ...	12,93,000

Generally the cost rate was about Rs. 950 to Rs. 1,000 per sq. mile. In the then state of the finances it would have been impossible to launch such a vast and expensive scheme. It would have moreover taken a long period to complete such an operation and the lack of a trained agency made the idea wholly impracticable. In direct raiyatwari collection it would have been necessary to grant remissions and abatements in cases of loss through drought, excessive rainfall, diluvion, etc., which would have affected the income. Besides this, expenses would have been necessary for works of improvement such as embankments, irrigation works, etc. In farming too, if it was intended to protect the tenants, preparation of record-of-rights would have been essential and above this an expensive agency would have been necessary for the periodical revision of assesment. The zamindari system was, therefore, the cheapest and had the prospect of securing an assured steady income. Practical experience has amply justified the anticipations of the framers of the Permanent Settlement. Statistics have been given in reply to question 5 to prove that in khas mahals there are always heavy arrears and percentages of collection in khas mahals are much lower than in permanently settled estates.

(4) *To encourage extension of cultivation and improvement.*—The famines of 1770-71, 1784, 1786 and 1787 had carried off more than ⅓rd of the population and the same proportion of cultivated land had been converted to jungles haunted by ferocious wild beasts. In order to bring such a large area under cultivation organised action was necessary. Expensive irrigation works and embankments were necessary for this and in the absence of a suitable State agency for such works, the zamindars were the most proper persons who could be expected to undertake them. It was incumbent on them to do so as the assessment at the Permanent Settlement was an advance assessment and their only hope of saving their estates, was by increase of income by extension of cultivation. In his letter, dated 6, March 1793, to the Court of Directors, Lord Cornwallis observed that "It is the expectation of bringing them (the extensive waste and jungle lands) into cultivation and reaping profits of them, that has induced many (of the zamindars) to agree to a decennial jama which has been assessed upon their lands." Any attempt by a zamindar at raising the rates of rent beyond the pargana rates was not only prohibited but was impossible with the extremely lower margin of profits of the tenant in those days. The price of paddy was annas 8 per maund and the tenant could hardly have more than Rs. 6 per bigha (2·8 bigha=1 acre) for his land. Attempt at extortion of high rates would have made him migrate, a possibility which the zamindar was anxious to avoid. It is well-known that in his eagerness to secure tenants, he had recourse sometimes to abduction. Had there been any illegal exactions on a large scale, so many zamindars would not have been ruined immediately after the Permanent Settlement. For the sake of his existence, he had to strain every nerve to extend cultivation. There was no other agency with such an impelling force behind it to extend cultivation.

(5) *Necessity of securing loyalty on political grounds.*—Unrest prevailed both in Europe and America and in India also the conditions were very unsettled.

The following extract from the Minute of Lord Cornwallis, dated 3, February 1790, shows clearly how this factor influenced him:—

"In case of a foreign invasion it is a matter of least (?) importance, considering the means by which we keep possession of this country that the proprietors of land (meaning the zamindars, polygars, talukdars etc.) should be attached to us for motives of self-interest. A landholder who is secured in the quiet enjoyment of a profitable estate can have no motive for wishing for a change. On the contrary, if the rent of his lands are raised in proportion of their improvement, if he is liable to be dispossessed should he refuse to pay the increase required of him or if threatened with imprisonment or confiscation of his property on account of balances due to Government, upon an assessment which his lands were unequal to pay, he will readily listen to any offers which

are likely to bring a change that cannot place them in a worse situation but which held out to him hopes of a better."

(6) *Ultimate individual wealth, rather than immediate State gain more profitable through improvement of trade and commerce.*—As direct raiyatwari collection was found impracticable, the only alternative to a Permanent Settlement was temporary settlement. The latter would have resulted in a continual state of uncertainty with demeaning hagglings at the periodical reassessments. In the absence of any record-of-rights or any reliable data the tendency at the periodical revisions of assessment would have been to squeeze out as much as possible without any idea as to what burden the lands were capable of bearing. It was necessary to create a peaceful atmosphere to afford facility to the people to recover from the disastrous effects of famine and pestilence and semi-anarchy of the preceding half century. Peace and tranquility alone could make trade and commerce flourish and these are the mainstay of any Government and had speical attraction for a Government carried on by a trading Company. It was, therefore, of greater importance to direct attention to the improvement of these than to quick profit which would have retarded progress towards the main goal. It was therefore, a very sound policy and the following extracts from Lord Cornwallis's letter very forcibly express it:—

"A Permanent Settlement which alone in my judgment, can make the country flourish, and secure happiness to the body of inhabitants.

"And I have a clear conviction in my own mind of the utility of the system, I think it a duty I owe to them, to my country and to humanity, to recommend it most earnestly to the Court of Directors, to lose no time in.....not to postpone for ten years the commencement of the prosperity and solid improvement of the country."

The Court of Directors also said this in plain language. Their observations are reproduced in para. 10 of Appendix No. 18 to Fifth Report (*vide* page 172, Vol. III, Firminger's Edition of Fifth Report):—

"10. We quote for your information the following observations of the Court of Directors, on a Permanent Settlement applied to Bengal, viz., 'we find it convincingly argued, that a permanent assessment, upon the scale of the present ability of the country, must contain in its nature, a productive principle; that the possession of property, and the sure enjoyment of benefits derivable from it, *will awaken and stimulate industry, promote agriculture, extend improvement, establish credit, and augment the general wealth and prosperity.* Hence arises the best security, that no permanent diminution can be expected to take place, at least to any considerable amount..... There will

thus be a gradual accumulation, while the demands of Government continue the same; and in every step of this progressive work property becomes of more value, the owner of more importance, and the system acquires additional strength,—Such surely appears to be the tendency and just consequences of an equitable fixed assessment."

(7) *To free Collectors for devoting time to general administration.*—Up to the Permanent Settlement, the time of the Collectors had been monopolised by revenue settlement and collections and constant applications for abatements and remissions of revenue and very little had been done towards improvement of the general administration, including administration of justice, maintenance of law and order, regulation of ports, customs, consolidation of newly acquired territories, etc.

(8) The creation of a body of landlords whose interests are naturally bound up with the welfare of the land.

(9) The ancient origin of the zamindari system which was well understood by the people.

(10) *To disarm opposition to the appropriation of excise and other internal duties by Government.*—The zamindar had the right to all excise revenue including license fee for excise shops and also to duties on raw silk, betel leaves, etc., and salt. It was notified by an advertisement on the 11th of June 1790 that (with an exception of tax on tenements which appeared derivable from land thus occupied) the management and collection of sayer revenue would in future be separated from the zamindari charge and placed under the authority of officers to be appointed directly on the part of Government.

The description of duties mentioned in the question is not exhaustive. They included the following:—

(i) Police duties.—Such as apprehension of thieves and maintenance of law and order. They used to maintain a police force (thanadari) and a body of village watchmen. It is stated in the Fifth report that Burdwan had to maintain 2,400 armed constables and 1,900 zamindari paiks. They were relieved of their police duties and directed to discharge their police establishment by Regulation XII of 1793.

(*ii*) Jurisdiction over petty Civil Court suits.

(*iii*) There was a special class of zamindars called Ghatwalls whose duty it was to guard the ghats or passes in the western frontier of the province and who had to maintain armed forces for the purpose.

(*iv*) Maintenance of records to a certain extent.

(*v*) Supply of rations to Government officers on tour and army on the march.

(*vi*) Maintenance of village accounts of each tenant and statistics of cultivated lands under different crops.

(*vii*) Works of improvement such as excavation of tanks, well, etc. and maintenance of all irrigation works and embankments.

In many districts specially in the barind area as well as in Burdwan, etc., innumerable irrigation tanks, some of which were of very large size and are called dighis, are still to be found though almost all are now silted up and the beds of many are at present under cultivation. It was not possible for individual tenants to construct embankments and irrigation channels and the zamindar had to undertake these.

(*viii*) Reclamation of jungle by granting lease on favourable terms sometimes through people like Santals from other provinces who had special aptitude for such work.

(*ix*) Maintenance of places of worship like temples, mosques by rent free grants and religious and charitable institutions. Sir John Shore in para. 311 of his Minute, dated 18, June 1789, observed that "In the list of zamindari charges there will be found charitable donations, which ought properly to be paid by officers of the Government."

The Permanent Settlement did not take away any existing rights of the tenant. The position of the raiyat was, on the other hand, defined and strengthened. The avowed object of Lord Cornwallis was to protect the tenants (*vide* his Minute, dated February 1790) and in Regulation I of 1793 this was emphasised. The object has been kept in view by the Government in all subsequent tenancy legislation. For an analysis of the classes of raiyats and their rights and of the measures adopted in the period of the Dewani for their protection, please see the judgment in the great Rent Case.

Sir John Shore in his Minute, dated 18, June 1789, after prolonged investigations recorded his findings about the rights and privileges of raiyats existing at the time and a comparison with these will clearly show that the Permanent Settlement did not take away any of their rights, on the contrary, confirmed them and laid down measures for preventing infringements of them. Extracts from his Minute are quoted below:—

"389. It is, however, generally understood, that the raiyats by long occupancy acquire a right of possession in the soil, and are not subject to be removed; but this right does not authorise them to sell or mortgage it, and it is so far distant from a right of property. This, like all other rights under a despotic or varying form of government, is precarious. The zamindars, when an increase is forced upon them, have exercised the right of demanding it from their raiyats: If we admit the property of the soil to be solely vested in the zamindars, we must exclude any acknowledgment of such rights in favour of the raiyats, except where they may acquire it from the proprietor."

"406. Pattas to the khudkasht raiyats, or those who cultivate the land of the village where they reside, are generally given without any

limitation of period; and express that they are to hold the lands paying rents from year to year. Hence the right of occupancy originates; and it is equally understood as a prescriptive law, that the raiyats who hold by this tenure, cannot relinquish any part of the lands in their possession or change the species of cultivation without a forfeiture of the right of occupancy, which is rarely insisted upon; and the zamindars demand and exact the difference. I understand also, that this right of occupancy is admitted to extend to the heirs of those who enjoy it."

* * * * * * *

"407. Paikasht raiyats, or those who cultivate the lands of villages where they do not reside, hold their lands upon a more indefinite tenure. The pattas to them, are generally granted with a limitation in point of time: where they deem the terms unfavourable, they repair to some other spot."

Q. 2. The Permanent Settlement did not convey any new power to the zamindar. On the other hand, it curtailed much of his powers, such as judicial, police, etc., and also by imposing restrictions on his power over tenants. It merely confirmed some of the rights he had. They were:—

(1) Khudkasht tenants had practically occupancy rights and could not be evicted, so long as he continued to pay his rent. So far as they were concerned, the zamindars had no choice but as transfers were not permitted without the zamindars' consent he had the right of selection of transferees.

(2) As regards paikasht or non-resident tenants, they were mere tenants-at-will and the zamindar had a free hand in selecting them. The principal point in selection was the economic interest, i.e., the cultivation of the land to best advantage and also elimination of bad characters and selection would naturally fall on actual cultivators.

(3) As regards new settlements he had an entirely free hand and selection was no doubt by the consideration mentioned in (2) above. *Vide* section LII of Regulation VIII of 1793 extract from which is quoted below:—

"The zamindar, or other actual proprietor of land, is to let the remaining lands of his zamindari or estate, under the prescribed restrictions, in whatever manner he may think proper..." With the object of extending cultivation, various classes of middlemen were created. As mentioned in the beginning, no new powers over the tenants were conferred by the Permanent Settlement but it restricted them considerably with a view to protect the tenantry. For a summary of the then existing rights of the raiyats, the extracts quoted from Sir John Shore's Minute in answer to question 5 may be seen. The justification

for imposing the restrictions after confirming his proprietary title are thus explained by Lord Cornwallis in his Minute, dated February, 1790 (para. 2).

"If Mr. Shore means that after declaring zamindars proprietors of the soil, in order to be consistent we have no right to prevent his new abwabs or taxes on the lands in cultivation, I must differ with him in opinion, unless we suppose the raiyats to be absolute slaves of the zamindars. Every bigha of land possessed by them must have been cultivated by them under express or implied agreements that a certain sum should be paid for each bigha of produce and no more. Every abwab or tax imposed by the zamindar over and above that sum is not only a breach of the agreement, but a direct violation of the laws of the country. The cultivator, therefore, has in such cases an undoubted right to apply to Government for the protection of his property, and Government is all times bound to afford him redress."

This view was embodied in section 8 of Regulation II of 1793 and the main object of all subsequent tenancy legislation was this.

There can be no economic development without State aid. There were no organised industries like jute, silk manufacture and textiles generally, lac, salt, sugar, tobacco, etc., and the growers and manufacturers were ruthlessly exploited by the merchants and the zamindars were helpless and could afford no protection in this matter to their tenants. Whenever any new industry was started by foreign capital, the interest of the capitalist became the sole concern of the State. The indigo industry affords the best example of this. The cultivators were like slaves and had no interest in the profits. They were compelled to grow indigo on any plot pointed out by the planter and on failure they were oppressed and tortured with impunity. They were obliged to receive payment at rates dictated by the capitalist. Development of tea industry in Assam is another example of a similar nature. Development of jute industry is of more recent origin, when public opinion had gained in strength, and there have been no gross abuses like those in connection with indigo and tea but the grower is still exploited by a ring of capitalists and the zamindar is a helpless spectator. In the early days, facilities for education were lacking and the zamindars were ill-educated and had little knowledge of the possibilities of economic development nor did they receive any help or inspiration from Government. They did what they could and helped very largely in the growth of educational institutions but these could not yield immediate results. Their sole anxiety was to pay revenue punctually to save themselves. In the absence of encouragement from the State the cottage industries like spinning and the manufacture of fine muslins and other textiles, manufacture of salt, etc., gradually became extinct. It is the function of the State to develop the resources

but here there was no attempt in this direction and in some cases the attitude of Government was openly hostile and the machinery of the State was employed to extinguish industries like salt, spinning and weaving, etc., by direct action and also by indirect tariff walls. The interests of a foreign Government representing trade and not responsible to the people, and those of the masses were antagonistic and the zamindar was powerless to interfere. They were moreover at that time extremely poor as has been recorded by Sir John Shore in his Minute of 18th June 1789:—

"129. Secondly, it is a certain fact, that the zamindars were almost universally poor. This assertion, if doubted, may be enquired into with respect to the zamindars of Rajeshahy, Beerbhoom, Jessore, Nadia, Dinajepoor, and Salsyka; to whom I do not mean to restrict it. Justice and humanity call for the declaration, in opposition to insinuations of another tendency, and to positive assertions of a Member of the Board of Revenue, that the zamindars are wallowing in wealth and luxury."

A few more extracts from his Minutes are given below to show why there was no economic development in the early days:—

"131. The Company are merchants as well as sovereigns of the country. In the former capacity they engross the trade; whilst in the latter they appropriate the revenue.

* * * * * * *

"Whatever allowances we may make for the increased industry of the subjects of the State, owing to the enhanced demand for the produce of it (supposing the demand to be enhanced) there is reason to conclude, that the benefits are more than counter-balanced, by evils inseparable from the system of remote foreign domination.

* * * * * * *

"Upon the whole, I have no hesitation in concluding, that since the Company's acquisition of the Dewani, the current specie of the country has been greatly diminished in quantity, that the old demands of importation, by which the drains were formerly replenished, are now in a great measure closed; and that the necessity of supplying China Madras and Bombay with money, as well as the exportation of it by Europeans to England, will contribute still further to exhaust the country of its silver.

* * * * * * *

"It is obvious to any observer, that the specie of the country is much diminished: and I consider this as a radical evil, which without some unforeseen changes, will progressively operate to affect the British interest in Bengal."

In addition to the extracts from "Indian Finance in the days of the Company" by Mr. P. N. Banerjea, M.A. (Cal.), D.SC., Econ. (Lond.) quoted in reply to question I, I am quoting below a few more extracts from the same book. Mr. Banerjea was the Minto Pofessor of Economics of the Calcutta University and made extensive researches among the old records:—

"But the most serious evil of the system was the application of the revenues of the country to the objects of trade (p. 24).

The provisions of investment led to another evil, namely, the shortage of currency." (p. 27).

For an explanation of "investments" and the figures of actual expenditure under this head please see answer to question 1.

Public debts rose to £30,876,788 by 1809 and "the largest portion of the debt was raised in Bengal" (p. 114).

"The main cause of the growth of the public debt in India was war." (p. 120).

"It is to be presumed that a part of the loans of Bengal must have been raised in aid of the wants of Bombay and Madras." (pp. 114-115).

Q. 3. Economic development in any country is impossible without State-aid. When the Company took over the Dewani, there was semi-anarchy and it took a long time to evolve some sort of orderly Government. All the big zamindaris were broken up and the big zamindars were ruined and reduced to beggary as a result of the Permanent Settlement in 1793. Sir John Shore found that the zamindars were very poor (*vide* extracts quoted in answer to last question) and also that the country was being drained of its specie and the sources of replenishment were closed, as the Company as merchants was engrossing the trade and as Sovereign appropriating the revenue (*vide* Extracts from his Minute of 18th June 1789 quoted in answer to previous question). It took nearly 40 years for things to settle down under a new set of zamindars who were purchasers for full value. There were no facilities for education and the tenants as well as the zamindars were mostly illiterate and Government of the time was too preoccupied with consolidating their position, expanding trade and commerce and sending remittances regularly to the Directors at Home and had no time nor the inclination to mind about education, etc. Moreover, after meeting the cost of general administration and military expenses and Home remittances there was nothing left for nation-building activities. In fact no attention was paid to such subjects at all. Government was on behalf of a foreign Company whose main consideration was to secure the largest amount of dividend. It was necessary, therefore, to develop their own trade and commerce and secure monopolies at the expense

of the helpless and voiceless conquered subjects. There was no attempt at fostering the growth of trade, commerce, industries, arts and crafts of the country in the interests of the subject people. On the contrary many of these were systematically stifled and killed. It is impossible to give a full description of the state of affairs at the time and to get a complete picture the books of Mr. R. C. Dutt, I.C.S., or any impartial history of the period may be read. I may quote a few examples to illustrate what has been said. Take mercantile marine on which trade and commerce and the prosperity of a country depends. It was in the crude and infant stage and the first care of a Government in the interest of the country would have been to develop it to meet modern requirements. It was not done and the fleet of foreign merchantmen took the place of the country boats. Then take the textile industry. Bengal was famous for its muslin and silk and embroideries on silk and the rich kimkhabs. The mass of the people used to wear homespun cloths. All these industries were extinguished. Then again take salt manufacture. Mr. Grant estimated that along the 300 miles of sea coast from Jellasore West to Chittagong, comprehending at least 7,000 sq. miles, there were kollaries each yielding 233 maunds, i.e., a total of 28 lakhs of maunds and a net new revenue of 13·65 lakhs of rupees. During the 3 years preceding the arrival of Lord Cornwallis "the net advantage to the Company, from this (abolition of monopoly) and improved sale, has risen to Sicca Rs. 11,725,700 or £1,360,180 on an average of the last 3 years" (Fifth Report, p. 23). Mr. Ascoli in his Early Revenue History of Bengal records that by 1873 manufacture of salt in Bengal ceased entirely. After taking over the salt revenue from the zamindars the Company created a monopoly. Firminger in his introduction to the First Volume of the Fifth Report observed "The existing contracts for salt had, in Francis's opinion, led to the depopulation of the salt districts, and what had been gained by a monopoly, itself contrary to the Company's instructions (November 20, 1767), was lost by the injury done to agriculture". In jute the entire trade is controlled by a ring of foreign capitalists and the cultivator never gets fair value for his crops and some portion of the profits is absorbed by middlemen and the bulk of it goes to the capitalist. All these industries like salt, textile, etc., disappeared and the people were accustomed to cloth imported from Manchester. Thus on the one hand some sources of income of the people were gone and new needs were created and he had to incur expense to clothe himself and the money so spent went out of the country. Indigo manufacture was started by foreign capital and the cultivators who had to grow the plants were like slaves. They were compelled to grow it on any plot pointed by the planter and he had to receive payment at rates dictated by him. For any failure they were harassed and even tortured. The profits went out of the country. Tea cultivation also had a somewhat

similar history and abductions of men, women and children from Bengal for supplying labour force for the Assam gardens became common occurrence. In reply to questions 1 and 2, extracts have been quoted to show how the country was being drained of its silver. In circumstances like these it was impossible for a zamindar to do anything worth the name towards economic development. Moreover, what was his position. For a long time after the Permanent Settlement, the highest among them was liable to be put to the greatest indignities. Burke's speech at the impeachment of Warren Hastings contains blood-curdling accounts of the atrocities performed on them. The severity of these gradually decreased but the long period over which they extended left its impress and firmly instilled the slave mentality. He was shorn of all his former powers and glory. During the Moghul regime, he was deprived of his military and during the Dewani by the Company, of his police and judicial functions and in relation to his tenants also various restrictions were imposed on his former powers over him. When the country was being drained of its wealth (*vide* extracts quoted in answer to last question) on such a large scale and the people were being impoverished by being deprived of their sources of wealth and by having to purchase articles which formerly they could manufacture themselves at little or no expense, it is idle to expect any substantial economic development or prosperity. In the early days the zamindar never got a chance. The utmost he could do was to dig a tank here or erect a temple there and take measures for helping cultivation by protective and irrigation works. It was not till the introduction of the Constitutional Reforms that he had some hand in the affairs of his country and by that time education also had spread to some extent and public opinion was growing and since then progress has been rapid.

As regards the second part of the question, it may be pointed out that the main functions of the zamindar were punctual payment of revenue, keeping of correct accounts and granting proper receipts, extension of cultivation, undertaking works of improvement and works for helping cultivation, etc. So far as these are concerned, there has been no failure. Embankments and irrigation works as well as clearance of jungles on a large scale required capital which the tenant lacked and all such works were undertaken by the zamindar. There are numerous irrigation tanks to be found in many districts which are still the property of the zamindar but in which the tenants have the right of irrigation. In many districts tenures almost as big as an ordinary zamindari were created to hasten reclamation. This was done in cases the zamindar himself lacked the capital and the necessary agency. All this was done by the new set of zamindars who took the place of the ancient zamindars ruined by the Permanent Settlement. Nothing could be done during the unsettled condition immediately following the Permanent Settlement. Some extracts from the Fifth Report are

quoted below to show the state of affairs immediately following the Permanent Settlement and which will explain why it was not possible for the zamindars to do anything during that period.

An extract from a letter from the Collector of Midnapore, dated 12th February 1882, quoted in the Fifth Report (p. 59):—

"It has been found by melancholy experience, that the system of sales and attachments, which has been substituted for it, has, in the course of a very few years, reduced most of the great zamindars in Bengal to distress and beggary, and produced a greater change in the landed property of Bengal than has perhaps ever happened in the same space of time in any age or country, by the mere effect of internal Regulations..."

A reason for this is given a little further down in the same letter:—

"...and it required little discernment to see, that they (the zamindars) had not the same powers over their tenants, which Government exercised over them. It was notorious, that many of them had large arrears of rent due to them, which they were utterly unable to recover; while Government was selling their lands for arrears of assessment....., farmers and intermediate tenants were till lately, able to withhold their rents with impunity, and to set the authority of their landlords at defiance."

After quoting from the letter of the Collector of Midnapore the Committee observed:—

"The Committee conceives it has now been shown, that the great transfer of landed property, by public sale and the dispossession of zamindars, which were observed to take place in an extreme degree, during several years after the conclusion of the Permanent Settlement of the land revenue, can not be altogether ascribed to the profligacy, extravagance, and mismanagement of the landholders; but have to a certain extent followed as the unavoidable consequences of defects in the public Regulations combined with inequality in the assessment, and with the difficulties, obstructions and delays with which the many nice distinctions and complex provisions of the new Code of Regulations were brought into operation, among the very numerous, but for the greater part, illiterate inhabitants of the Company's provinces, who were required to observe them" (p. 59, Fifth Report).

The fact is also mentioned in paragraph II of the letter of the Court of Directors, dated 15th January 1819, an extract from which is reproduced below:—

"When we bear in mind the fact stated by Mr. Roche in his Minute recorded on your revenue consultations of the 12th August 1815 that subsequently to the period of the Permanent Settlement "probably one-third, or rather half, of the landed property in the province of Bengal

may have been transferred by public sale on account of arrears of revenue, etc....."

When it was humanly possible, revenue was paid punctually and after the unsettled period of transition was over, irregularities or defaults were rare. The object was attained after all the big zamindars had been ruined and reduced to beggary. The statement annexed in reply to questions 10 and 11 will show how high the percentage of collection nowadays is in permanently settled estate in comparison with the temporarily settled estates.

Q. 4. The original zamindars were the descendants of Rajas who were the proprietors of the soil. Sir John Shore in his Minute, dated 18th June 1789 (paragraph 374), observed:—"Formerly their services were required for the defence of the State, against rebellion or invasion, when they possessed the means of furnishing this assistance. This obligation was principally upon the principal zamindars; but was binding upon all." It will be seen that even in the times of the Mahabharat the principle of proprietary right and actual possession of the Raja was well recognised and the Emperor of All India only realised tribute from him. Whoever wanted to be the Emperor over all the Rajas and potentates of Bharatbarsha had to perform the Aswamedh Jajna or horse sacrifice and a preliminary condition was that he should first of all subjugate the hosts of Rajas all over India and he had to do it systematically in all the directions of the compass. In the detailed description given in the Mahabharat of the Aswamedh Jajna performed by the five Pandavas, it will be found that four of the brothers proceeded in four directions North, East, South and West and methodically subjugated every Raja in the direction allotted to him. The conquest of the eastern countries was allotted to Bhim Sen and he penetrated as far as the Orissa coast and in the north-east up to the Brahmaputra river which is specifically mentioned. He conquered the Mlechhas or aboriginals who inhabited the sea coast and the Kings of Tamralipta (Tamluk), Karbat, Sumbha, etc., and also the country bounded by the Brahmaputra and exacted tributes from all the kingdoms but did not disturb the possession of any of the kings. There was no annexation and each Raja was left in possession of his kingdom provided he paid a tribute. Some did it immediately on the approach of the Pandavas without a fight whereas some resisted and fought sanguinary battles and were overcome and tribute was forcibly realised but even these were left in undisturbed possession of their lands. There is a description of those who submitted without a fight and those who had to be conquered in battle and generally descriptions are given of the tributes paid or exacted from each. The title of the Raja was never disturbed. The Pathan Emperors found the zamindars and so did the Moghul Emperors and the English after them. (*Vide* extracts of paragraph

370 of Sir John Shore's Note, 18th June 1789, quoted in the last two paragraphs of this answer). What the Moghul Emperors did was to deprive them of their military powers and they were not allowed to repair their fortresses but they were not disturbed so long as they paid the State dues regularly. Those who opposed the Moghuls were defeated in battles and deprived of the zamindaris and their lands were distributed in jagirs for the maintenance of the Army and Civil and Military officers. It is in record that on many occasions zamindaris were purchased by the Emperors for the creation of jagirs and also whenever a loyal zamindar was deprived of his zamindari, a malikana or proprietary allowance was given to him. This practice has been continued by the British Government. It is not a new principle introduced by the British but confirmation of the custom they found in vogue. The tenants derived their interests from the zamindars and were not the proprietors. The only class of tenants who had some stability were the khudkasht kadeemee raiyat. In the great Rent Case (Thakurani Dasi *vs.* Bisheswar Mukherjee) Trevor J. observed as follows :—

"But when Regulation XI of 1822 was passed, the use in section 32 of that law of the term khudkasht kadeemee raiyat, or resident and hereditary raiyat with a prescriptive right of occupancy, to designate the cultivator who was not liable to eviction on a sale for arrears of revenues....."

Thus whatever rights the best class of raiyats *i.e.*, the khudkasht kadeemee raiyat, acquired was derived from the zamindars and he had a prescriptive right (*vide* paras. 389, 406, 407 of Sir John Shore's Minute, dated 18th June 1789, reproduced in answer to question 1) but the mass of raiyats had no rights at all and were constantly evicted. In paragraph II of the letter of the Court of Directors, dated 15th January 1819, it was observed that Mr. Roche's Minute of 12th August 1815 showed that probably one-third or rather one-half of the landed properties in the province of Bengal may have been transferred by public sale on account of arrears of revenue and for this fact "we can readily perceive how prodigiously numerous must have been the instances in which engagements between zamindars and raiyats were annulled." The majority of the present body of the tenants are therefore of fairly recent origin and neither they nor the older class created by the zamindars can have any claim to proprietary right. Even if it be conceded for the sake of argument that the zamindars had no valid proprietary title at the inception, some thousands of years back, they had no doubt acquired a prescriptive right in the long era when dynasty after dynasty came and went. (*Vide* paras. 370 and 371, of Sir John Shore's Minute, dated 18th June 1789, reproduced below.) They were recognised by every one of them except for a brief

spell of 3 years of Murshid Kuli Khan's regime (1722-25 A.D.) who tried to do without them. His successor Shah Shuja restored the old order. In a Privy Council case (Freemason *vs.* Fairlie I.M.I.A. 305 at page 341) the Lord Chancellor observed as follows:—

"I think it is impossible to read these articles, which were prepared obviously with great caution and consideration by persons well acquainted with the subject, and possessing every means of obtaining most accurate information on it, and as far back as 1793, without coming to the conclusion that the zamindars and talukdars were owners of the soil."

In the Fifth Report there is a clear record of the fact that the zamindars in Bengal used to exercise the rights of a proprietor and differed from the zamindars of Bihar. After dealing with the province of Bihar, where the practice was for the State to receive the entire produce of the land and to give shares out of it to the zamindar, the tenant and the collecting agency, the conditions in Bengal are described in the following words:—

"The difficulty was increased by a difference which had originally prevailed in the mode of forming the assessment of Bengal from what has been described as the practice in Bihar. In Bengal, instead of a division of the crop, or of the estimated value of it, in the current coin, the whole amount payable by the individual cultivator, was consolidated into one sum, called the assul or original rent: and provision made for the zamindar, the village accountant, the mandal and the other inferior officers, by other means than by a division of the zamindari portion of the produce. This was effected either by grants of land, or by the privileges of cultivating on lower terms than the rest of the inhabitants, and partly in money; a mode which, as it afforded the officers of government no interest in the accuracy of the village accounts, rendered the fabrication or concealment of them, the more feasible. *It, moreover, placed the zamindar in a condition more consistent with European notions of proprietary right in the soil, than could be inferred from the portion of his produce, shared with the officers of Government; and was, perhaps, the foundation of much of that difference of opinion, which appeared in the official discussions on that topic, under the Supreme Government at the time.*"

The extract quoted above is a finding of fact and not a mere expression of opinion.

It is clear that the hereditary zamindars had the proprietary right from before the Permanent Settlement but in many cases temporary farmers in possession were recognised in the Permanent Settlement as zamindars and treated as such. There was a process of levelling up and both were put in the same category.

The findings of Sir John Shore in his Minute, dated 18th June 1789, are reproduced below:—

"370. I consider the zamindars as the proprietors of the soil, to the property of which they succeed by right of inheritance, according to the laws of their own religion; and that the sovereign authority can not justly exercise the power of depriving them of the succession, nor of altering it, when there are any legal heirs. The privilege of disposing of the land, by sale or mortgage, is derived from this fundamental right, *and was exercised by the zamindars before we acquired the Dewani.*"

"371. The origin of the proprietory and hereditary rights of the zamindars is uncertain; conjecture must supply what history does not mention; they probably existed before the Muhammadan conquest, and, without any formal acknowledgment, have acquired stability by prescription. I do not admit the sanad which the zamindars sometimes receive, to be the foundation of their tenure; which though it may acquire confirmation from it, exists independent of this deed. The origin of the possession of some zamindaris may be traced to a grant, but the inheritance goes on without it."

Q. 5. The solemn pledge given at the Permanent Settlement was reaffirmed by Governors in reply to civic addresses presented to them. The agreement was between the proprietors of the soil and the Government and there was no occasion to consult the tenant but Government was not unmindful of his interest. His rights as found by Sir John Shore were summarised in paragraphs 389, 405 and 407 of Sir John Shore's Minute, dated 18th June 1789, reproduced in answer to question 1. While recognising the proprietary right of the zamindar Government made a clear declaration that steps would be taken to protect the tenant and to see that the zamindar did not realise more than what he was entitled to, by contract. Even during the Moghul period the tenants were never consulted. Jaffar Khan as well as his successors added imposts over the zamindari assessment, the total of such assessments between 1722 and 1763 being Rs. 1,17,91,853. There were contracts between the State and the zamindar and the latter was left free to distribute the addition over his raiyats in any way he considered proper. The State was not interested in that. The direct receipt from land revenue has undoubtedly been restricted to a certain extent by the Permanent Settlement but this loss has been more than compensated in other directions. This settlement established peace and enabled the population to recover from the effects of the famines of 1770-71, 1784, 1786 and 1787 and brought back prosperity which was reflected in higher receipts from other sources such as customs, excise, forests, etc. The other advantages gained have been fully described in reply to question 1. Apart from the legal aspects of the case,

annulment of the Permanent Settlement is not a practical proposition. It does not mean only the repeal of Regulation I of 1793 but of the entire tenancy legislation up to date which is all based on it. There will be a complete social revolution. A vast body of middlemen have been created who, to a great extent, depend upon their income from land. If their interests are all acquired, as a necessary corollary to the annulment of the Permanent Settlement, the entire social structure will be altered. These middlemen form the bulk of the bhadralok middle classes and they will be driven by want to join the communists or socialists. Their ranks will be swelled by the dispossessed zamindars and also the large body of tenureholders and tenants at fixed rates who will have to give up their long cherished rights. Communists and socialists are gaining strength daily and a sudden large access of strength to their ranks will render administration extremely difficult. If the rent of the tenants is increased and the fixity of rent ignored, the entire body of them will range themselves against the Government.

The increase in revenue to be obtained by the annulment of Permanent Settlement and elimination of middlemen and removal of law about fixity of rent in certain cases will not be very high. According to the Land Revenue Amendment Report of 1936-37 the areas of land and income from different classes of estates are as shown below:—

	Area in sq. miles.	Revenue in lakhs.	Revenue per sq. mile.
		Rs.	Rs.	Rs.
1. Permanently settled estate ..	58,386	215	367
2. Temporarily settled estate ..	5,211	26	500
3. Government estate ..	5,710	71	1,243

The utmost that can be expected will be Rs. 1,243 – Rs. 367 or Rs. 876 per square mile increase in 58,386 sq. mile or about 511 lakhs but from this will have to be deducted—

(1) Interest on capital outlay incurred in acquiring all interests.

(2) Cost of periodical revisional survey at Rs. 950 per sq. mile.

(3) Cost of agency to be employed in undertaking the resettlement.

(4) Cost of direct management including cost of enquiries into the extent of diluvion, alluvion and deterioration of land.

(5) Average loss for remission and abatement of revenue in bad years.

It is a well-known fact that the percentage of collections in estates under the direct management of Government are very much below what they are in permanently settled estates. In order to demonstrate this, I compiled a comparative statement, from the Board's Annual

Land Revenue Administration Reports, showing the demands, collections and the percentages of collections in the two classes of estates for the last 6 years. It will be seen from copies of it annexed in replies to questions 10 and 11 what a huge amount always remains outstanding in Government estates as arrears and also that the percentages of total collections on total demands in Government estates are about half of what they are in permanently settled estates. It shows that the total rent demand in Government estates may be a very large amount on paper, but standard of actual collections is low and for this reason if the permanently settled estates are brought under direct management after removal of all intermediate holders, the demand on paper may show great increase but actual collections will be much below the paper demand.

Q. 6. The immediate result of the Permanent Settlement was disastrous both for the zamindar and the tenant. As the assessment of revenue was on the expected increase from reclamation of about 1/3rd of the previously cultivated lands thrown out of cultivation by the famines of 1770-71, 1784, 1786 and 1787, the big zamindaris were unable to bear the strain and all the old zamindaris were ruined and split up. After each sale the new zamindar evicted all tenants except khudkasht kadeemee or made fresh settlements. Conditions were therefore very much unsettled. To make the reply self-contained I am again quoting the extract below to show the extent of these changes, from paragraph II of the letter of the Court of the Directors, dated 15th January 1819:—

"When we bear in mind the fact stated by Mr. Roche in the Minutes recorded on your revenue consultations of the 12th August 1815, that subsequently to the period of the Permanent Settlement 'Probably one-third, or rather one-half, of the landed property in the province of Bengal may have been transferred by public sale on account of arrears of revenue' we can readily perceive how prodigiously numerous must have been the instances in which engagements between zamindars and raiyats were annulled."

It is not to be expected that so long as condition like that described above prevailed there would be any improvement. Mr. Ascoli estimates that by 1802 the increase of cultivation in Dacca was about 6¼ per cent. and that it was typical of the province. It took at least 40 years for the zamindars to settle down and since then progress has been rapid. The zamindars had the greatest incentive to extend cultivation as this was the only way by which they could save their estates. Increase of cultivation required costly protective embankments and irrigation works, the capital for which the tenants did not possess. In reclaiming jungles also capital was necessary and generally the zamindars employed middlemen who found the capital and organised the work and

for which allowance was made in fixing the rent payable by them to the zamindars. I can say from personal experience that the greater part of the Rangpur district was reclaimed in this way by creating big jotes and giving 50 per cent. margin of profit to the jotedars. It may be said therefore that a great portion of the extension of cultivation was due to the initiative of the zamindars. In some cases such areas were cleared by the tenants themselves, who were given concession during the period of reclamation. In the absence of any statistics it is not possible to indicate the exact proportion of the increase due to the three causes mentioned in the question but considering the circumstances it may be estimated that more than half was due to cause (*iii*).

Q. 7. Not possible to estimate proportion in the absence of statistics but it may be pointed out that the increase would not have taken place so quickly, if peace and tranquility had not been assured by the Permanent Settlement and also if District Officers had not been set free from their continual pre-occupation with revenue settlement and revenue collections. Temporary settlement whether with zamindars or farmers would have retarded progress and there would have been no incentive for undertaking costly works of protection and improvement and oppression on tenants would have been inevitable. Trade and commerce would have been depressed all round. The increase was the result of the conditions brought about by the Permanent Settlement.

Q. 8. Immediately after Permanent Settlement, it was the zamindars who needed protection. All the big zamindaris were dismembered and most of the old zamindars were ruined and reduced to beggary (*vide* extracts from Fifth Report quoted in reply to question 3). The tenants were defiant and the zamindar was unable to collect his rents and his estates were sold. There was no question of generosity in the Permanent Settlement but a case of pressing need which impelled the Government to this course and the immediate result was the disruption of nearly all the ancient aristrocatic families. This state of affairs continued for several years until the Regulation VII of 1799 was passed which gave the zamindar the power of distraint. This led to oppression. The main trouble was that the Government did not implement the declaration about granting of pattas to tenants. The Regulations passed were ineffective and so long as there were no records-of-rights, grant of pattas was not practicable. It is true that Regulation VIII of 1793 contained detailed instructions as to what the pattas should contain (sections 56 to 61). Prohibitions were imposed against exactions of abwabs and penalty for infringement was provided (sections 54 and 55) but all these proved infructuous. The Court of Directors in their letter dated 15th of January 1819, summed up the causes of failure of the Regulation VIII of 1793. It was observed that "original Patta Regulation (VIII of 1793) was also

materially defective, in making no sufficient provision for the ascertainment of the rights in which it professed to secure the raiyats by their pattas." Act X of 1859 removed many of the grievances and took away the zamindar's right of distraint. Although Lord Cornwallis had declared in the most emphatic terms that it was the duty of the State to protect the tenants (*vide* extract from his Minute, dated February 1790, para. 2 quoted in reply to question 2), subsequent Governments failed to do this effectively. So far as the rents payable by the tenants were concerned it may be said that generally they were moderate. In the Cossimbazar estate, the biggest single estate is in Rangpur district with a rent roll of Rs. 5,59,432. The rate at which rents are generally paid by the old tenants is Re. 1 to Rs. 1-4 per local bigha. In a small percentage of cases it is Rs. 1-8 per local bigha. These work out to annas 8 to annas 12 per standard bigha. The main crops are jute and winter paddy. The former is a very valuable crop. In many districts like Burdwan, Nadia, etc., lands are going out of cultivation on account of the ravages of Malaria and the zamindar has to try his best to keep the tenants by making concessions as much as possible. Many villages once very populous are now wildernesses and the haunt of wild animals. It is only in areas where land has still some value that rents are fairly high. Figures were compiled in the Revenue Department when I was the Assistant Secretary for 13 districts from district settlement reports. The result is noted below. In some reports the rates of rents paid by undertenants to tenants are available and these also are noted below:—

Name of district.	Average rate of rent per acre of raiyat.			Average rate of rent of under-raiyat.
	At fixed rent.	Occupancy raiyat.	Non-occupancy raiyat.	
	Rs. a.	Rs. a.	Rs. a.	Rs. a. p.
Bankura ..	2 14	1 12	2 0	2 9 0
Midnapore ..	3 10	3 2	3 8	5 7 6 1st grade. 6 3 5 2nd grade.
Jessore ..	1 5	2 7	2 8	3 14 0
Khulna ..	2 6	3 6	3 8	5 0 0
Faridpur ..	2 9	2 9	2 10	3 12 3 1st grade. 4 0 0 2nd ,, 4 6 5 3rd ,,
Bakarganj ..	3 2	4 9	4 8	7 0 9 1st grade. 7 13 4 2nd ,, 9 14 7 3rd ,,
Dacca ..	2 3	2 13	2 13	3 6 0
Mymensingh ..	1 14	2 12	2 12	5 0 0
Rajshahi ..	2 8	3 5	3 5	5 13 0
Tippera ..	3 12	3 2	3 6	7 0 0
Noakhali ..	5 3	4 4	4 8	6 9 0
Murshidabad ..	2 15	3 7	4 8	9 4 7(*a*)
Birbhum ..	3 7	3 14	4 0	8 11 6(*b*)

(*a*) For those with occupancy right. Rate for under-raiyat without occupancy right is 4-12-6.

(*b*) For those with occupancy right. Rate for under-raiyat without occupancy right is 5-4-2.

The averages given above do not indicate that there are high rents on a large scale. The general tendency is moderate though there are no doubt black sheep in the flock. My experience shows that whenever there is any rate which is higher than what the land can bear it is bound to be sold up in time and the zamindar gets it back on his hands by khas purchase with a loss of arrears of rent. It is not to the interest of a landlord to resort to rack-renting as it is a shortsighted policy which involves loss in the end and moreover creates discontent which renders collections difficult and if rent is not collected, payment of land revenue has to be made by incurring debts. So far as my information goes, all the big zamindars follow the policy of moderate rent and punctual collection. Now-a-days specially when the tenants are more or less organised and imbued with socialistic ideas—only in respect of the classes above him—the zamindar is obliged to follow a policy of conciliation and rack-renting is becoming an impossibility. The worst offender in this direction is the tenant who sublets his land on cash rent as the Table above will show.

Generally speaking the tenants under a private zamindar are much better off than in an estate under the direct management of Government. The tenant can extort concessions by threats from a zamindar and the latter has to submit as he must pay the land revenue punctually and has to take whatever he may get, even if the demands made of him are unreasonable.

The answer to the question is that the expectation, so far as punctual payment of revenue and moderation towards tenants are concerned, has been fulfilled and it may be said that the tenants have now got concessions at the expense of the zamindars which were never contemplated at the time of the Permanent Settlement.

The views expressed above are amply corroborated by the findings of the late Director of Land Records in connection with the settlement of Murshidabad district—the Final Report for which was published late last year. This officer had probably the largest experience of revenue settlements first as Assistant Settlement Officer, then as Settlement Officer and then as Special Land Revenue Settlement Officer and lastly as Director of Land Records and Surveys and his findings should, therefore, carry weight and the report is also of great value as it is recent and embodies the experience up to date. Some extracts are quoted below:—

"The question as to how far the Permanent Settlement as a legal measure was detrimental to the tenantry has been much debated. Sir J. Colebrooke has been quoted to have expressed on the melancholy errors of the Permanent Settlement, on the sacrifice of the yeomanry, etc. I am afraid, as far as I could judge from a somewhat intensive study of the conditions in this district, the charge cannot in my opinion be fully endorsed. Rarely one meets a village where the

tenantry has not continued for generations. It is easier to trace old connection of the peasantry with a village than that of the landlord. That the tenantry could hold to their lands from a time prior to the safeguarding Bengal Tenancy Act is a proof that the circumstances were not so unfavourable as are sought to be made out. The village rights exist—except in the case of pasturage—no worse than what existed before. In the matter of common pasturage more tenants are found to take up and break down such land for tillage than the landlords could ever expect and for this Permanent Settlement in my opinion is less responsible than various other circumstances with which the Permanent Settlement had little or no connection. This will be borne out by a study of the circumstances in the temporarily settled or even khas mahal estates. It was asserted that the Permanent Settlement left the zamindar to make his settlement with them on such terms as he might choose to require. The continuity of the tenantry from father to son for generations is a proof that in the largest majority of cases the terms were not unfavourable. The average rent-rate is about rupees three and odd per acre. Judged by the outturn, and the rent-rates in the temporarily settled estates in the province this is not high. Here, too, his terms cannot be said to have been harsh, while in every village one may get from any old tenant that in the majority of cases in the past, the relation between the landlord and the tenant was sweeter and much more friendly evincing greater goodwill on either side than what could be claimed to-day. If people's verdict be any evidence—to my mind there can be no better evidence—the position has gone from bad to worse in more recent times when tradition was lost and law was substituted to regulate the relation. For all that Permanent Settlement cannot by any process of logic be held responsible. Black sheep there were, are and must be in future. The exchange of pattas and kabuliyats—which was the one omission to which all the alleged ills of the tenantry are attributed could have availed little when large ignorance, little education, still less capacity for organised action were the order of the day. Those who know how in spite of the strictest injunctions of law to-day rent receipts in proper form are not granted, and abwabs are collected, must realise that law is incapable of enforcing what can only be enforced by organised and educated social sense. The Permanent Settlement by securing the necessary conditions of growth has done more than anything else to create the beginning of that social sense. The clear provisions in the Permanent Settlement Regulations have enabled the Government to step in and protect the cultivators and now that a piece of legislation like this is entirely in the hands of the people it is up to them to speed up the perfection of what in the largest interests can be held to be conducive to the real welfare of the country as a whole.

"My conclusion is that the Permanent Settlement as a fiscal measure did nothing to the detriment of the raiyats. It took away no rights

which the tenantry then possessed, deprived them of no security which they otherwise had. The processes of rent realisation in the beginning had to be made harsher as were the processes for the realisation of land revenue but much of that hardship was due to rationalisation of business methods which had to come. On the other hand, I believe that the ultimate effect of the Permanent Settlement certainly was for the good of the tenantry. It provided the State at once with the moral background to interfere whenever it thought that the tenants had a grievance and the tenancy legislations embody in the main the effect of the strenuous endeavours in the interests of the actual tiller."

Q. 9. The first part of the question has been dealt with in paragraph (3) of reply to guestion 1 and also in replies to questions 2 and 3.

The other duties imposed were maintenance of correct accounts and granting of rent receipts which have been generally fulfilled.

Absenteeism is of recent origin and has not affected the policy followed by the zamindars. Most of the big zamindars are resident but they can reside in one place only while their zamindaris are very much scattered and cover a wide area and in such cases it matters little whether he resides in a town or village within his zamindari or in a town outside it, unless he has the energy to inspect and come into touch with all parts of his zamindari. If a zamindar is energetic he will inspect all parts of his estate and it is immaterial whether he starts on these tours from a village within the zamindari or a town outside it. So far as the big zamindars are concerned "absenteeism" has no meaning. The temperament of the zamindar is of greater importance than the place of his residence. Most of the big zamindars do very little of touring but employ managers and depend upon them. I know of some zamindars who employ managers but keep a very close watch over them and in order to do so they come in touch with the tenants. Petty zamindars who manage their own estates without the help of a manager necessarily remain in touch with the tenants.

Q. 10. The Permanent Settlement was the outcome of pressing necessity (see reply to question 1). The old tenants have benefited by getting their rents fixed in cash on the basis of assets at the time of Permanent Settlement. Considering that the price of paddy at the time of Permanent Settlement was about annas 8 per maund, the rates prevalent now-a-days is about 4 times that. Rents in some cases have been enhanced at annas 2 per rupee at intervals of 15 years but this has not affected his profits materially. The reason why he is hard up is that the purchasing power of the rupee has decreased and wants have increased. Limitation imposed by tenancy legislation has placed the tenants in a position and has given them rights and privileges which they never enjoyed even under the Moghul rule. It can be said that the Permanent Settlement taken along with the subsequent tenancy legislation has materially improved the lot of the mass of tenants. A

middle class of bhadraloks has been created and they are the intelligentsia of the country. After the disastrous years, which immediately followed the Permanent Settlement, were over and most of the original zamindars, with whom the Permanent Settlement had been made, had disappared, their successors benefited, until socialistic tendencies disturbed the peaceful atmosphere. The cry now-a-days is not so much due to any injustice according to old ideas but the growth of socialistic and communistic doctrines and the preaching of modern popular leaders against the unequal distribution of wealth and the moneyed class in general. If the future aim be a policy of appeasement towards the socialists and communists, there is no reason why the zamindar should be singled out and the other property owners and owners of unearned wealth should be left untouched. If the doctrines are followed to their logical conclusion there should be no individual ownership of land or house or any other property and no inheritance. The cry now seems to be that the zamindars must be deprived of their unearned wealth but the same principle is not to be followed any further down nor is any other class to be touched.

The reply to the question is that the system did the greatest good to the largest number so long as revolutionary doctrines did not permeate society. It has been pointed out in reply to question 5 that any attempt at bringing down the entire social structure which has been evolved in the last 150 years would end in a cataclysm.

The present tenancy laws are all for the tenant and it is the zamindar who needs protection. The tenants have gained considerable advantage at the expense of the zamindars and the zamindar has not gained anything worth mentioning at the expense of the tenant.

The reply to the question is that when the Permanent Settlement was effected the question of greatest good for the largest number was not at issue. The main problem for consideration was how to assure the punctual realisation of the largest possible amount of land revenue that could be then demanded. Experience, however, shows that the measure has been for the greatest good for the largest number, i.e., the masses, the middlemen and the zamindars.

Another point to be considered is that actual collection in permanently settled estates is far more satisfactory than in estates under the direct management of Government and it is, therefore, more advantageous to the State also. Figures are given in the statement annexed at the end of this question showing collections in permanently settled estates and Government estates in the last 6 years. It has been compiled from the Board's Annual Land Revenue Administration Reports. It will be seen what a huge amount of arrears always remain outstanding in estates under direct management and how the percentage of total collections on total demand in such estates is generally about half or even less than half in Government estates in comparison with permanently settled estates. In direct management the total rent roll

on paper may be very high but actual collection will be less than what it is now under Permanent Settlement.

The present unrest is mainly political and also because the country is very poor and there is not enough national wealth to go round to everybody to make the nation prosperous. The policy of robbing Peter and paying Paul may temporarily satisfy the class benefited but even if the policy is followed the masses will ultimately realise that the removal of the hated class has not left them very much better off and the main problem must be the increase of national wealth. Any temporary palliative will be ineffective and only fan the flame of class hatred.

The late Director of Land Records in his Final Report on the Settlement of the Murshidabad district has observed in paragraph 105:—

"But it can hardly be denied that its economic and political effects on the whole was satisfactory. It gradually stabilised habits and standardised life. Though the security of the tenants was not made safe by the statutory contracts—which later had unfortunate effect—yet at the time when there was more quest for tenants than for land the situation itself was a substitute for law."

"Stabler conditions increased the population, converted the quest of landlords for tenants to a ceaseless quest of tenants for land....."

"It is not improbable that a cynical nationalist economic of the future may even attribute to the self-imposed limitation of the executive Government, a part of the progress which Bengal unquestionably enjoys. He would probably argue that it tended to conserve automatically a part of the wealth which in taxation would have gone out of his country for expenditure over which constitutionally, till of late, the people had no control. He might even attribute to this measure a part of that culture and general well-being which the people of Bengal—its peasantry, its middleclass, its landlords, and even its much abused mahajans and lawyers enjoy. The question of the abrogation of the Permanent Settlement, therefore, needs to be approached with the utmost circumspection....."

Year.	Total Demand.		Current Demand.	
	Permanently settled estates.	Khas Mahals.	Permanently settled estates.	Khas Mahals.
1931-32 ..	2,32,43,736	99,61,730	2,15,56,925	62,30,304
1932-33 ..	2,43,78,514	1,16,16,894	2,15,53,131	64,15,819
1933-34 ..	2,52,81,101	1,35,52,480	2,15,31,443	66,09,714
1934-35 ..	2,51,50,753	1,49,32,873	2,15,14,560	68,18,527
1935-36 ..	2,45,62,219	1,49,01,445	2,15,01,774	71,70,109
1936-37 ..	2,44,11,784	1,33,88,505	2,14,98,926	71,00,040

Year.	Total Collection.		Percentage of total collection on total demand.		Percentage of collection on current demand.	
	Permanently settled estates.	Khas Mahals.	P.S. estates.	Khas Mahals.	P.S. estates.	Khas Mahals.
	(b)	(a)				
1931-32 ..	2,04,20,976	47,87,414	88·12	48·05	94·73	76·84
1932-33 ..	2,06,18,800	46,00,204	87·80	40·11	95·57	72·63
1933-34 ..	2,16,37,609	52,86,419	85·58	39·00	100·49	82·39
1934-35 ..	2,20,83,115	67,85,600	84·57	44·26	103·17	99·51
1935-36 ..	2,16,14,328	74,39,383	87·85	49·11	100·52	103·75
1936-37 ..	2,22,67,413	74,59,032	91·21	55·46	100·35	106·04

(a) Includes interest.

(b) Does not include interest though interest is now being realised—Nor are amounts realised as penalties for exemption from sale shown.

Q. 11. (*i*) and (*ii*) Without statistics it is not possible to state what percentage is appropriated by the classes above the tenant. The total amout appropriated is shared by the zamindars and the middlemen which include *de jure* raiyats who have let out their lands on cash rent. These middlemen form the bulk of the middle class gentry of the province. Exact figure about the number of such middlemen is not available.

It may be true that 75 per cent. or 80 per cent. is absorbed between the cultivator and the State but it is necessary to examine whether it is for the greatest good of the largest number. Between the actual cultivator and the State there are sometimes as many as 20 to 30 intermediate holders. At the very bottom is the tiller of the soil. Above him there are in some cases 2 or more grades of under-raiyats. On the top of these is the *de jure* raiyat. Then above him are layer after layer of tenureholders. If the object of the State be to reach directly the income from the soil it will be necessary to do away not only with the zamindar but the *de jure* raiyat who has let out his lands to under-raiyats and also the top grades of under-raiyats. Subinfeudation existed during Moghul times, and there were jagirs and tenures like ayemas, madadmash, altamgha, etc. During the Dewani period also there was subinfeudation. Sir John Shore in paragraph 180 of his Minute of 18th June 1789 observed:—

"A zamindar possessing an extensive district having made a settlement with Government, relets, in portions, to several farmers; they

again make over their leases, in whole or in part to others; and these again, to renters of inferior denominations."

Subinfeudation existed from before but the Permanent Settlement gave an impetus to it.

Another point to be considered is that under direct management, the rent roll may show a very high figure but it has been found in practice that a very large amount always remains outstanding in Government estates under direct management and the percentage of total collection in these estates on the total demand is generally half or even less than that as compared to premanently settled estates. This will be clear from the comparative statement annexed at the end of the last question. It has been compiled from the Board's published Annual Land Revenue Administration Reports.

The existing order of society has been evolved from conditions brought about by the Permanent Settlement. The extinction of the zamindars and middle class will create a new order—probably socialistic —the result of which it is difficult to foresee. It is certain that there will be bitter class war and unsettled conditions will prevail for the long period of transition. The dispossessed zamindars and middlemen will swell the rank of the communists and if the intention is to realise the entire income from land direct from the tillers of the soil after removing all intermediaries including *de jure* raiyats, the existing laws about fixed rents will have to be abolished and the law about enhancements modified and this will affect the masses. Considering the appalling state of unemployment it would be highly impolitic to deprive such a large body of men of the means of their livelihood. Please also see reply to question 5.

(*iii*) No.

See reply to question 8 where it is fully dealt with.

(*iv*) The tenants are better off under private zamindars than in estates under direct management.

(*See* reply to question 8).

There are complaints about the corrupt collecting agency but even under direct management, the class of agency now employed by the zamindar will have to be employed by the State also. So long as national characteristics do not change the collecting agency will behave in the same way under State employment as under private employment. Whenever the agents of the private zamindar are oppressive, the tenants appeal to the zamindar and failing him move the Government. The zamindar is more amenable to threat and persuasion by organised body of raiyats as he must collect sufficient money to pay land revenue and cannot afford to displease the tenants and the latter can, therefore,

get the best terms from him. The present day zamindar shorn of all his previous powers and most of his privileges, is not what the term overlord ordinarily connotes nor is he burdensome.

Q. 12. The grounds are without any substance as explained in replies to previous questions and based in many cases on wrong assumption and this question therefore does not arise.

Q. 13. (*i*) Anything which contributes to the welfare and prosperity of the largest number of the people cannot be described as a "loss". There may be a loss according to mathematical calculation but on the whole it is a gain to the people. Ultimate individual wealth alone contributes to the wealth of the nation and on that depends all prosperity. Attention ought to be directed to the most important and basic question whether it is conducive to the best interest of the people at large. In reply to question 8 it has been shown that zamindars have acted with moderation towards the tenants and how it is more advantageous for them to be under a private zamindar than directly under the State. The welfare of the zamindar is bound up with the welfare of the tenants and the main goal of both is the same. He is a human being whereas the State is a machine. He is a buffer between the State and the people with a leaning towards the latter and his removal will be prejudical to the interests of the tenant. Apart from the legal aspect of the question, it has been shown in reply to question 5 that it is impracticable to do away with the Permanent Settlement without a social and economic revolution which will inevitably result in the socialists and communists gaining the upper hand. The present unrest is due to the spread of revolutionary doctrines which lay the greatest stress on the unequal distribution of wealth and the inequity of any one enjoying unearned wealth. These are considerations which do not affect the zamindar alone but the capitalist as a class and all those who enjoy properties by inheritance. For the present the zamindar has been singled out and zamindar-bating has become a popular pastime. In the printed hand bills distributed broadcast by the Krishak Samities (peasant associations) the zamindars are abused in choice epithets like blood-suckers, etc., and resolutions are passed in a similar strain. The tenants are already a privileged class and for them the ordinary law in the Indian Penal Code against promotion of class hatred is apparently in abeyance. If, however, full effect is given to the doctrines on which the attacks on zamindars are now being based, the capitalists and all persons enjoying unearned wealth should go and this will include the grades of tenants which do not cultivate lands themselves as well as those who inherit properties. The financial aspect of the thing also needs serious consideration. Direct management will involve heavy costs in revisional settlements, costs of collections, maintenance of protective works and undertaking of irrigation works and works of improvement and also losses in the shape of remissions and abatements for failure of crops, deterioration, diluvion, etc.

It ought to be ascertained what the net increase may be after allowing for all these. On the basis of figures in the Land Revenue Administration Reports of the last 6 years it will be seen that the percentage of collections in khas mahals is much lower than in permanently settled estates (vide statement annexed in answer to question 10). Investigations on these points and also regarding the cost of acquisition of the interests of the zamindars and middlemen and also the annual charges for interest and sinking fund on the capital outlay, are essential before any of the alternatives suggested can be properly examined. Without any data on this all-important point, the present discussion is more or less academic and of theoretical value only. For these reasons, I consider that the alternatives suggested in (*i*) and (*ii*) to be highly injudicious.

(*ii*) Temporary settlements were found by experiment to be unsatisfactory, as the temporary lessee having no permanent interest was always inclined to extract as much as he could during his tenure and leave the estate ruined. This led to oppression and malpractices. Moreover, costly agency will have to be entertained for periodical revisions of the record-of-rights with a view to accurate assessment and the Colector's time will be monopolised by the work of revisional settlements and general administration will suffer.

Sir John Shore in his Minute of 18th June 1789, fully discussed the 3 alternative systems of collection (1) directly by the State, (2) through farmers and (3) through zamindars. Most of the arguments used by him against (1) and (2) still hold good and deserve careful consideration. For facility of reference, I am herewith annexing extracts of the paragraphs 154 to 164 of his Minute.

(*iii*) If there is no legal bar, the imposition of a tax on agricultural income seems theoretically desirable. I am not competent to express an opinion on the legal aspect of the thing but it will involve the breach of a solemn pledge. It is bound to be highly unpopular, as it will affect not only the zamindars but a considerable body of middlemen and all aspects of the question have to be thoroughly examined before any decision can be arrived at.

Appendix to Question 13.

Extract from Sir John Shore's minute, dated 18th June 1789.

154. There are three modes by which the revenue of the country may be realized for the State. First, by employing officers for this purpose on the part of Government, to collect them immediately from the raiyats or lower denomination of tenants, without the agency of the zamindars or farmers. This mode of management is usually termed khas, the inferior agents and receivers under the Collector are chosen by him, and have fixed salaries allotted to them.

155. The due and successful administration of this plan, supposes sufficient knowledge and experience in the Collector employed, with respect to the rent and land, to regulate all the detail of the settlement and collections as well as time and application to go through with it, the mufassal account should be examined, the charge of the inferior agents, whether employed to collect the rents of a village or pargana should be inspected and curtailed where exorbitant, the number must be regulated and the rent of each village and indeed of every raiyat ought to be adjusted.

156. The advantages attending this mode of settlement, in speculation are these:—The Collector has it in his power to reduce the cesses where they are burthensome, and to equalize the assessment paid by the lower classes of raiyats; it affords him an opportunity of ascertaining the resources of the district; to acquire a knowledge of any improper reductions which have been made in the rental; to afford relief where wanted; to encourage improvement; and to establish such Regulations as he may deem best calculated for the security of the cultivators of the soil, against present exaction and future oppression.

157. It ought also to be the most productive, by bringing to the account of Government the profits of intermediate farmers and contractors, as well as the produce of their frauds and embezzlements.

158. The objections to the plan and its disadvantages are these:—That it presumes a degree of knowledge, experience and application in the Collectors, which is rarely to be found or attained: It may exist in those of the present day, without any assurance that it will be found, in their successors. The selection of proper inferior agents depends upon them; and their fidelity and exertions, from the Dewan and officers in his cutchery to the lowest deputy, will be in proportion to the ability and vigilance of the superintending officer. If incapable of examining the accounts of his agents, and of detecting the fallacies of them, he will be exposed to constant imposition, and the public loss will be proportionally great. The same effects would follow from indolence.

159. The Government is not secured, with respect to its revenues, by any specific engagements; it must stand to all losses and accident of seasons; where the raiyats fail or are unable to pay, there is no remedy, and the annual amount of the revenues must be subject to considerable variation. The native officers employed in the detail of the business are only bound to a responsibility generally for the faithful discharge of the trust reposed in them, and to account for what they collect.

160. The Board of Revenue can exercise little control over this mode of management, but must rely upon the conducting officers; the detail is too minute for their inspection.

161. Where the operation is applied to the lands of a zamindar, he remains idle; or, what is worse, employs himself secretly to counteract the success of the Collector, and a subsistence must be allowed him by the Government.

162. In general it will be found, that the settlements attempted upon this plan, have proved unsuccessful under our administration. It was, however often executed by the Muhammadan Government, who entered into all the details of the business, and examined the accounts of the aumil or Collector with rigour and minuteness. Whether, for this reason it ought to be attempted by us, or not, remains to be decided. (185).

163. In the execution of a khas settlement, as usually performed, details which I have described are seldom entered into; and it means little more than delegating authority to the Collector of a district, to conclude specific engagements with farmers or with petty landholders for the rents of the several pergunnahs and divisions, instead of entering into an agreement for the revenues of the whole zamindari, with the proprietor of it. These engagements are more or less detailed, at the discretion of the Collector. The principal advantage attending this mode of management, is the probability of larger receipts. That rests upon the supposition, that the zamindar declines engaging for the revenue of his lands, and that the resources of them, are equal to the assessment on them, as well as to furnish a provision to the zamindar upon the Collector's knowledge of these emoluments, and upon his ability to collect them. With regard to the persons with whom he may enter into engagements, a comparative advantage may arise to them; that of a better security from contracting with Government, than with the zamindar, but this ought not to be the case, where the Collector knows and discharges his duty. In other respects, the plan combines many of the evils attending the farming system which is now to be considered.

164. The conveniences of collecting the revenues by farmers are, few and small; whilst the disadvantages are many and great. It is certainly easy and simple to contract with a farmer for the revenues of a district: and this is all that can be said for it. Experience proves that it is fallacious in point of security for the farmers and securities both fail; and that it is oppressive in its execution. The engagements with a farmer, from a deficiency of local knowledge in the officers of Government, can seldom be made with sufficient precision to prevent impositions on his part; and the subsequent attempt to redress them generally affords him grounds for claiming remissions. A temporary farmer never looks to future improvements: and the system opens a door for the introduction of persons in the management of the collections, who ought ever to be excluded; those who are in the service of Europeans, and participate their influence: But as it stands universally condemned,

there is no occasion to detail inconveniences, which are acknowledged. The partial admission of farmers may perhaps take place on the grounds of necessity, as a remedy against greater evils.

Q. 14. I do not advocate (*i*) or (*ii*), but there can be no question that compensation should be paid if it is decided to expropriate the zamindars unless the Russian method of dealing with the kulaks is adopted and the zamindars are driven out in a body to some wilderness after being deprived of all their properties, and then left to starve. Clause (*2*) of section 299 of the Government of India Act, 1935, is a bar to the acquisition of any landed property without compensation. Land as defined in that section includes immovable property of every kind and any rights in and over such property. Compensation should be on the basis of market value of the property. Market value is generally calculated by a certain number of years' purchase on the net profit. Many factors tend to determine the question how many years' purchase should be adopted for a particular estate. Estates forming a compact block are more valuable than scattered properties. Then again 16 annas interest in a village is more valuable than a joint undivided fractional interest. Facilities of communication is another factor and facilities for irrigation another. There should also be compensation for any costly works of improvement such as embankments, excavated irrigation channels, and tanks, etc. The principle of section 82 of the Bengal Tenancy Act which provides for the payment of compensation for raiyats' improvements in case of eviction should be extended to zamindars or tenureholders who are expropriated and compensation should be paid to them for such improvements. The form of payment should be either cash or bonds with a guaranteed rate of interest, the rate being not less than 5 per cent.

To calculate the total cost of acquisition of the interest of the zamindar and middlemen it is necessary to ascertain the profits of each zamindar or tenureholder after deduction of management charges and land revenue or rent payable to superior landlords. Then it will have to be determined for each case how many years' purchase should be given. Without these data, the total cost cannot be calculated.

Q. 15. Redeemable would be preferable if there is no financial difficulty. The period should be the shortest possible. Interest should not be less than 5 per cent.

It should be understood that I do not advocate the expropriation of zamindars and the answers above are not to be taken as implying that I am a supporter of expropriation.

Q. 16. A complete social revolution with the communists on the top. For detailed reasons please see replies to questions 5, 13 and 21.

Q. 17. If the object is to reach the income from land and do away with middlemen who absorb portions of it, all of them will have to be eliminated. On this principle the raiyat under the Government should be the cultivating raiyat and not the *de jure* raiyat.

The answer to the last part of the question cannot be given until the financial aspect of the thing has been thoroughly examined. It will be necessary to examine what the cost of the acquisition will be and then expenses under the following heads will have to be ascertained:—

(*a*) Capital outlay necessary for acquisition and cost of interest and sinking fund on capital outlay.

(*b*) Cost of maintenance of records and periodical revisional surveys.

(*c*) Collection charges.

(*d*) Cost of maintenance as well as new construction of protective and irrigation works and works of improvement.

(*e*) Cost of permanent survey establishment for measurement of alluvions, diluvions and deteriorations due to sand deposit, etc., and also of areas affected by flood and drought and for splitting up holdings, measuring lands for new settlements, settling boundary disputes, etc.

(*f*) Cost of agency for supervision and check of works in (*e*) above.

(*g*) Cost of agency for carrying out resettlements with tenants involving reassessment and execution of leases.

(*h*) Additional grants for hospitals, dispensaries, schools, etc. to replace grants now paid to them by zamindars.

Thus losses due to remissions and abatements for failure of crops, deterioration and diluvion will have to be calculated and deducted from the gross profits. Estimated percentage of collection should also be calculated.

When figures for all the items mentioned above have been calculated and the amount of net profit ascertained, then only it can be said whether the proposed purchase will be more advantageous than the existing system.

Q. 18. (1) Survey and settlement agency for periodical revisions of records-of-rights. In the past the cost rate for this has been Rs. 900 to Rs. 1,000 per square mile.

(2) An agency to carry on the periodical resettlements with tenants.

(3) A permanent survey establishment to measure lands for splitting up holdings, settling boundary disputes, measuring lands for new settlements, areas affected by flood, drought or deterioration through

deposit of sand or inrush of saline water, etc., and preparation of detailed statements after such surveys.

(4) Agency to supervise works mentioned in (3) above.

(5) Cost of establishment for maintenance of records.

(6) Cost of agency to carry out resettlements with tenants involving reassessments and execution of fresh leases.

(7) Engineering establishment for undertaking new works and maintaining existing protective and irrigation works and works of improvement.

(8) Overhead establishment for general supervision and prevention of abuses.

(9) Collecting agency.

When the costs under all these heads have been correctly calculated, then only it can be said what the estimated total cost will be. Without any data no forecast can be made.

Q. 19. The answer to the first part of the question is "no", for reasons given in detail in answer to question 13. The zamindar is not popular now as class hatred is being sedulously preached without any let or hindrance as a part of the political game but when the passion has spent itself and the matter is examined coolly on its merits it will be found that the tenants are best off under private zamindars.

The khas mahal raiyats enjoy no advantages over tenants under the proprietors. It will be found if statistics are collected that rates of rent in khas mahal are generally higher than those in private estates of the neighbourhood. As an instance, I may mention that last month while I was inspecting the temporary settled Sunderban estate of the Cossimbazar Raj, the Presidency Commissioner unexpectedly paid me a visit there, and asked me what should be the maximum rate for lands reclaimed from the Sunderban. I told him that the maximum should be Rs. 2 per bigha and that in our property the maximum rate was generally this but a small area was being held at Rs. 2-8 to Rs. 3 per bigha, but I was cutting them down to Rs. 2. I was then informed by him that he was then inspecting the neighbouring khas mahals which also have a similar origin, i.e., have been reclaimed from the Sunderbans but that the khas mahal officers were advocating much higher rates although the lands in the khas mahals were inferior in quality in comparison with the lands of the Cossimbazar estate. Another point is that collections in Government estates are made more stringently than in private estates. The zamindar is amenable to pressure and can be more easily influenced than the Government. The point of view of the zamindar is the welfare of the tenantry with which

his own welfare is bound up but with Government such a consideration occupies a minor role and attention is directed more to the extraction of the largest possible amount of revenue.

Q. 20. The answer to the first part of the question is in the affirmative.

There is a confusion of ideas in the second part of the question. The creation of the permanent tenures has not affected the position of the raiyats as they are entrenched behind the tenancy legislations and it is immaterial to them whether the man to whom he pays his rent is a tenureholder or a zamindar. Generally speaking the ordinary tenureholder other than the patnidar is treated more as a man belonging to the people than to the higher aristocratic classes and also, as such, tenureholders with small limited area under them, are in more intimate touch with them than the zamindar. The patnidar is more akin to a zamindar than a tenureholder although he is technically so. The ordinary tenureholder, however, belongs to a higher status than the petty cultivator and intercourse between them has a beneficial effect on the cultivator socially and economically.

Q. 21. "Tenure" is a very wide term and includes the big patnis, as well as semi-zamindaris like the holders of the Sunderban Lots under 40 years' leases as well as middle class people holding comparatively small areas. All tenureholders below the first degree will come under the last class. The first 2 classes mentioned above may be classed as zamindars and the effect of acquisition of their interests will be the same as that on expropriated zamindars. They belong to the upper classes of society. If they are bought off they will soon be reduced to begarry as the compensation they may get will be very small in view of the present slump in the value of agricultural lands, and they will never be able to recover their invested capital. The utmost they may expect to get will be a small amount calculated at the present slump rate which will soon melt away. So long as he has his landed property, he can have the assurance of getting his food supply for himself and his family from the produce of his property and there is no risk of actual starvation. Once this sheet anchor is lost his condition will be precarious. Landed property gives stability as well as social status and credit. He can raise money on it in times of stress and liquidate his debts in prosperous year. With the loss of his land, he will loose credit and in times of need he will be bound to spend out of the small capital he might have got as compensation for his lands. When his condition becomes desperate he will naturally join the ranks of the revolutionaries who are already in the field. The latter will daily gain in strength and having removed the landholders out of their path make a dead set of other moneyed classes and capitalists and persons enjoying unearned wealth, and there will be discontent and class war all over the land and

stable government will be a difficult problem, if not impossible. Trade and commerce will inevitably suffer. All respect for the upper classes will be gone and strikes will be the order of the day and industries will be crippled. The loss of prestige both of the Government and of the upper classes who held a commanding position all along is already sorely affected and the downfall will be very much accelerated by adopting a policy of appeasement *ad libitum*. Growing clamour of the revolutionaries may be appeased temporarily by holding out a sop in the shape of some concession, but the demands will go on increasing and larger and larger concessions will have to be made until a time will be reached when no further concession is possible and then there will be a clash. The zamindars and the landed classes may be the first scapegoat offered, but this will be a very temporary palliative. So long as means are not found to increase the national wealth by a popular Government working solely in the interest of the people, there cannot be any satisfactory solution and the suggested expropriation of the landholders will be taken as a victory for the revolutionary forces and infuse vigour into them for bolder actions. By the proposed measure there will be no increase in national wealth and on the contrary wealth which is now confined to the country will be transferred to sources from which they can be easily taken out of it. The lot of the masses will remain the same, as no part of the spoil will go to them but will be appropriated entirely by their rulers. The combined effect will be to hasten the end of capitalism and there will be a long period of chaos and semi-anarchy before things settle down again under a new order of Government.

The smaller tenureholders will be similarly affected. Some of them may earn something by manual labour but it will hardly be possible to find work for the large mass that will be set free from the lands. Discontent and unrest will be widespread and the days of peace and contentment will come to an end. The process of disruption has commenced and the proposed measure will hasten it.

Q. 22. The zamindars and the tenureholders should be given the option of retaining their homesteads and khas lands or of selling them to the State for fair value which should be determined by some expert and impartial tribunal.

Khas lands are of 2 classes—cultivated and uncultivated. As regards the latter the best way will be to refer to the record-of-rights where they are of fairly recent date. In districts where the record-of-rights are old and out of date, independent evidence will be necessary. All land not in the occupation of a tenant is khas and in case of dispute between the zamindar or tenureholder and a tenant regarding any plot or area the burden of proof should be on the tenant to prove his tenancy.

There is a large amount of holdings purchased khas by the zamindar or tenureholder at rent or certificate sales, which nominally are the property of the zamindar or tenureholder by right of purchase but are, however, in the actual possession of the outgone tenants who are mere trespassers and enjoy the lands rent free. Such lands ought to be treated as khas.

As regards khas lands under cultivation, the tests ought to be whether they are cultivated by—

(1) ploughs and cattle belonging to the zamindar through his servants or hired labour,

(2) bargadars or adhiars on annual leases,

(3) through tenants-at-will of any other class.

In all such cases the land should be treated as khas.

Q. 23. Yes; occupancy right, as it is understood now, was created by the British by Act X of 1859. Previous to that the only permanent tenants were the "khudkasht". Their rights were, however, more limited than was conferred on them by the Tenancy Act. In the great Rent Case presided over by 14 Judges of the Calcutta High Court (Thakurani Dasi *vs.* Bisheshwar Mookerjee, 3 W.R.) there is a very clear analysis of their rights. Extracts are quoted below:—

"These tenants seem, at the settlement practically and legally, though not by express Statute, to have been divided into 2 classes, the khudkasht kadeemee, and the simple khudkasht, or those who have been in possession of the land for more than 12 years before the settlement, and those whose possession did not run so long. Both by Hindu and Muhammadan laws, as well as by the legal practice (Colebrook's Digest of the Regulations, Vol. III, page 4) of the country, twelve years had been considered sufficient to establish a right by negative presumption, that is, by the absence of any claim on the part of other persons during that period.....

* * * * *

"As I have observed above, it had become the practice of the Government for the time being, to collect various imposts from the zamindar, who again was entitled to collect them from the raiyats.....By section 54 of Regulation VIII of 1793, all proprietors of land and dependent talukdars were required to consolidate these charges with the asal or original rate, into one specified sum. And by section 55 of the same law, proprietors and farmers of land of whatever description, were prohibited from imposing any new abwab or mathoot on the raiyats, and a penalty was exacted in case of any infringement of the provision".

The khudkasht kadeemee raiyat had the right to hold his land, so long as he paid rent at the pargana rate. This was a fluctuating rate for different classes of crop and a raiyat cultivating one class of crop had to take the permission of the zamindar for cultivating any other crop and if necessary pay higher rate.

The ordinary khudkasht raiyat was liable to eviction by a purchaser of the zamindari at revenue sale. It is observed in the same judgment:—

"It follows that these laws, Regulation XI of 1822, Act XII of 1841 distinctly gave the purchaser the power to eject a khudkasht raiyat whose tenure was created after the Permanent Settlement, and, if not ejected, they are liable to be assessed at discretion of the landlord."

The paikasht or non-resident raiyats were mere tenants-at-will, no matter how long they might have cultivated the same land.

By subsequent tenancy legislation, all these disinctions were done away with and one uniform class called occupancy raiyat was created and tenants who were ordinary khudkasht or even paikasht came to enjoy almost all the privileges of a khudkasht kadeemee. The doctrine of a settled raiyat acquiring occupancy rights is altogether an innovation. Act X of 1859 provided for the rights of 3 classes:—

(1) Certain tenureholders declared entitled to hold at fixed rents.

(2) Certain raiyats declared to hold at fixed rates of rent.

(3) Raiyats entitled to a right of occupancy.

The old classification was amended for the benefit of the raiyat and the rights of the zamindar have been systematically crippled by subsequent tenancy legislation in order to grant new privileges to the tenants. For a summary of the rights of tenants as they existed at the time of the Permanent Settlement, paragraphs 389, 406 and 407 of Sir John Shore's Minute of 18th June 1789, reproduced in answer to question 1, may be read.

The allegation is totally unfounded. In answer to question 4, it has been explained that the zamindar was recognised as the proprietor from the earliest Hindu times and also during the Pathan and Moghul periods. This in itself rebuts the allegation in this question, but there is ample evidence to show that the cultivating raiyat had never any proprietary right. In the Moghul period there were 3 classes of raiyat:—

(1) Khudkasht kadeemee.

(2) Khudkasht.

(3) Paikasht.

No. (1) was the old resident raiyat with a right of inheritance. He derived his interest from the zamindar and was his creation and he was entitled to a patta from the zamindar. So long as he paid the rates at the pargana rate, he was not liable to eviction but he could be evicted if he refused to do so. He had no right of transfer by sale, gift, etc. In the great Rent Case (Thakurani Dasi *vs.* Bisheswar Mookerjee 3 W.R.) 14 Judges of the Calcutta High Court who heard it found that "khudkasht raiyats are simply cultivators of the lands of their own village, who, after being once admitted into the village, have a right of occupancy so long as they pay the customary rents, and therefore with a tendency to become hereditary, and with an interest in the produce of the soil over and above the mere wages of labour and the profits of stock, in other words above the cost of production."

The ordinary khudkasht raiyats were creation of a later date and during the period of Dewani of the East India Company, they were liable to ejectment by the purchaser of the zamindari at a revenue sale. The Company was simply following the custom of the country and not introducing a new principle. The following extract from the same judgment makes the position quite clear:—

"Regulation XI of 1822 was passed, the use in section 32 of that law of the terms khudkasht kadeemee raiyat, or resident and hereditary raiyat with a prescriptive right of occupancy, to designate the raiyat who would not be liable to eviction or a sale for arrear of revenue, gave rise to the doctrines, that khudkasht raiyats who had their origin subsequent to the settlement were liable to eviction though, if not evicted, they, under section 33, could only be called upon to pay rents determined according to the law and usage of the country, and also, that the possession of all raiyats whose title commenced subsequent to the settlement was simply a permissive one, that is one retained with the consent of the landlord." (S. D. Decisions for 1856, pp. 617 to 628). As regards the paikasht raiyat, he was merely a tenant-at-will.

None of the classes "of cultivating raiyats" mentioned above can by any stretch of imagination be called proprietors of the soil. As a matter of fact as a result of the Permanent Settlement, a prodigious amount of tenancies were terminated and renewed. The following is an extract from Para. II of the letter of the Court of Directors, dated 15th January 1819:—

"When we bear in mind the fact stated by Mr. Roche in his Minute recorded on your revenue consultations of the 12th August 1915 that subsequently to the period of the Permanent Settlement "probably one-third, or rather one half, of the landed property in the province of Bengal may have been transferred by public sale on account of arrears of revenue," "we can readily perceive *how prodigiously*

numerous must have been the instances in which engagements between zamindars and raiyats were annulled."

The term "proprietor" denotes the person who originally had the absolute right of use or disposal of the land. He may transfer portions of his rights to other by contract, such as by lease to tenants or alienate in any manner he wishes. (*See* paras. 389, 406 and 407 of Sir John Shore's Minute, dated 18th June 1789, reproduced in answer to question 1.)

Q. 25. The occupancy right ought to be extended to all under-raiyats paying cash rent, no matter what his grade may be. It should not be extended to bargadars. *See* reply to question 32.

Originally the occupancy right belonged to the actual cultivators of the soil. In Act X of 1859 and also in the Act of 1868 this right belonged to those who actually held or cultivated the land as raiyat. Thus the right of the actual cultivator was recognised in the old tenancy legislation as well as in the Moghul period. A change was introduced by the Bengal Tenancy Act of 1885, which defined raiyat as one who primarily acquires lands for the purpose of cultivation with his own labour or by hired labour. The expression "hired labour" was added to the definition at the instance of the European indigo planters. The underlying principle of occupancy right being originally actual cultivation, logically the actual cultivator ought to get it as he acquires it by his own industry. The bargadar is not a raiyat but a hired labourer. (*See* Answer to question 32.) Advantage was taken of the wide definition of a raiyat in the B. T. Act by many tenure-holders who claimed that the original purpose for which the land was acquired was cultivation although subsequently they might have sub-let them to tenants.

Q. 26. A tenant who voluntarily parts with his rights for good consideration cannot claim further protection against the under-raiyat. He should be bound by his contract. It would be an arbitrary act in violation of the Contract Act to attempt to annul rights created by the tenant himself.

Q. 27. At the time of the Permanent Settlement the contingency that non-agriculturists might come in was not visualised and there was no mention of them anywhere nor was any provision made to exclude or protect them. The Permanent Settlement was dealing with landed interest and the Government reserved the right to protect "the dependant talukdars, the raiyats and other cultivators of the soil," although it might have been the duty of the Government to protect all classes of people. Expropriation of agriculturists by non-agriculturists is becoming a serious problem and it has become necessary to protect

the agriculturists but in doing so it will be found that for their sake the non-agriculturists also should be protected within certain limits. The non-agriculturists who are now coming are generally the moneylenders who finance the tenants in their times of difficulty. But for the help rendered by them much of the land would have remained uncultivated. Unless Government is prepared to finance the agriculturists, the village moneylender must be maintained but the abuses may be corrected by a Money-Lenders' Act. If the provisions in such an Act be too harsh against the moneylender, he will stop lending and the agriculturists will suffer. Great circumspection is necessary in framing the Money-Lenders' Act. Usurious rates ought to be cut down but at the same time he should be given facilities of realisation and the primitive village moneylender should not be called upon to maintain an elaborate and expensive system of accounts based on European ideas with which he is quite unfamiliar. There was no express provision in the Permanent Settlement regarding non-agriculturists, but there is no reason why they should be protected except in so far as it may be to the interest of the raiyat to protect them.

Q. 28. The answer to the first part of the question is an emphatic negative.

There should be provision for settlement of fair rent in urban areas on the lines of the provisions made in the Bengal Tenancy Act for settlement of fair rents of agricultural lands. The provision should extend to all lands which though not in urban areas are used for non-agricultural purposes. There are many instances of tenants holding lands under agricultural leases within municipal towns or big villages forming trade centres at the low agricultural rates and leasing them out in small parcels for the erection of jute godowns, shops, etc., at rates as high as Rs. 50 or Rs. 60 per bigha or even more. In the majority of such cases the lands were originally in rural areas and had been leased for agricultural purposes but subsequently the areas developed into big trade centres or towns and lost their rural character.

Q. 29. Yes; the main reasons are that lands are passing into the hands of non-agriculturists who do not cultivate lands themselves, and, secondly, as holdings are ultimately being split up by inheritance and sales, they are becoming of uneconomic size. The fact that bargadars and adhiars have no statutory rights has been no doubt helpful in increasing the tendency to bhag and adhi settlements. The Bengal Debt Settlement Act is very much hastening the process. As a result of the Act, moneylenders are not granting loans to agriculturists and when, therefore, the tenant needs money he has to sell outright at least

portions of his holding. He generally becomes in such cases the bargadar under the purchaser. Other causes are:—

(*a*) In cases of new settlements of lands by zamindars, tenure-holders or *de jure* raiyats, the practice is to realise a premium for settling on cash rents. There is lack of cash and new settlements on cash rent are, therefore, smaller in number now and there is corresponding increase of settlement on bhag or adhi.

(*b*) Fall in prices of food crops has the same tendency. A tenant is afraid of binding himself down to a fixed cash rent and prefers the sliding scale of the bhag or adhi system.

(*c*) Many holdings at high rates have been sold in Court sales and no one is willing to take settlement of these at previous rates and where the zamindar is unwilling to bring down rates in the hope of better times, he lets out the land in barga or adhi.

(*d*) With increase of population the class of landless labourers has enormously increased and they are always very anxious to have some land to cultivate as bargadar or adhiar for getting their food grain.

(*e*) Continual subdivision of interest in a holding by the law of inheritance by which many individual co-sharer becomes practically a landless labourer and he too is anxious to add to his income by cultivating lands in barga or adhi.

Q. 30. Please see reply to question 29. The suggestions in (*i*) and (*ii*) are correct. (*iii*) The occupancy right was originally a personal right, hence the occupancy holding could not be transferred. This was really meant for the preservation of this class of people who not only did not understand their own interests but were very low in the scale of life morally and intellectually, only with few exceptions. The social needs override individual needs. In matters like marriage or other social requirements, they spent a lot and generally far in excess of their means. The result is that they become indebted and are forced to transfer their holdings. Giving of free right of transfer temporarily eased the situation but is not a permanent remedy. There are many political and economic causes behind. Economic exploitation has been the root cause of the present troubles. If the poor tenants can weave their own cloths and manufacture their own salt as before there will be some relief. Economic and industrial developments will give them a means of supplementing their income and are essential. The export of distress gold deprived the people of their last hoarding of money. In order to prevent further destitution of the cultivators, the object should be to devise means of restricting transfer instead of affording facilities for doing so.

Q. 31. Area normally held by a bargadar can be ascertained fairly accurately from the Appendices to the Final District Settlement Reports. The average will be 8 to 10 bighas.

The bargadars are mostly tenants with lands insufficient for their maintenance, who cultivate lands in barga to supplement their income and also include some landless labourers.

Q. 32. At first sight it seems that bargadars should have the occupancy right as they actually cultivate the lands but they are really hired labourers and it is not advisable to extend the right to that class. There are females and minors or lunatics, as well as religious and charitable institutions whose lands have of necessity to be cultivated through bargadars and if the latter are allowed to acquire a right against their employers, then their employers will be all ruined. The non-agriculturists in possession of land will be unable to cultivate their land, if bargadars are allowed to acquire rights of occupancy. Similarly the khas lands of zamindars and tenureholders and big raiyats with more lands than what they themselves can cultivate will all be waste. Even a genuine cultivator who ordinarily cultivates his lands himself may be incapable of doing so in some years through disease or lack of funds or absence and he is compelled to let out his lands in bhag but if he knows that bhagidar will acquire rights, he will rather let the land lie fallow than let it go out of his control. They are hired labourers and should be treated as such. The only protection he needs is that he should get the stipulated share of wages and any attempt at cheating him out of a portion of it may be made punishable. Any rigid rule about the proportion is undesirable. It should be regulated by the ordinary laws of supply and demand. There should also be corresponding penalty for a bargadar trying to cheat his employer by surreptitiously removing part of the produce.

Q. 33. Considering that this system affords a means of livelihood to the landless labourer and also to small tenant having raiyati land insufficient to maintain him, it is an economically sound one and its extension should not be prevented. At present the barga settelements are made from year to year and the bargadar has no interest in improving the yield by using manures, etc., and my experience in many districts is that a petty tenant cultivating lands in barga always takes care to cultivate his own lands first and then he cultivates the barga lands, when the season is far advanced and the yield is affected. If he can be given leases for 2 or 3 years at least, there may be an inducement to him to take more care and try improvements. In order to encourage this, it is necessary to make it perfectly clear to all concerned that cultivation for a fixed period will not confer any right, as otherwise no one will be willing to let out for fixed periods. Giving

occupancy right to a bargadar will throw large quantities of land out of cultivation.

Q. 34. *See* reply to question 32.

Extension of right to the bargadars will lead the zamindars, tenure-holders and some classes of raiyat to let their lands lie fallow rather than loose control of them. The large number of bargadars who are mostly small tenants with insufficient lands and landless labourers will be deprived of their means of livelihood and considerable quantities of land will be waste and the owners of the lands, who now employ the bargadars, will suffer loss of income.

(*See* replies to question 33.)

Q. 35. The proportion according to general custom is half. It should not be fixed by law and should be left to be regulated by the laws of supply and demand. In theory a zamindar or other employer of a bargadar may realise more than half but considering the present state of the country it can never be done in practice. The tenants have now organised themselves and just now their party are the rulers over the zamindars and the latter deserve protection more than the tenant. If a maximum limit is sought to be fixed by law, a minimum limit also ought to be fixed but any such attempt is undesirable.

Q. 36. It varies in different localities. In Rangpur and adjoining districts of North Bengal, the rate is between annas 4 to annas 8 per day and one meal.

Towards Burdwan and industrial centres it is as high as annas 8 per day during transplantation period plus one meal. At other times it is about annas 3 per day.

In Rajshahi it varies from annas 5 to annas 8 per day, the highest being in the transplantation season.

In Murshidabad it is annas 4 to annas 5 without meals.

The bargadars and under-raiyats are undoubtedly better off than the agricultural labourers and being possessors of land occupy a higher status in rural society.

Q. 37. Please see reply to question 30.

The answer to the fist two questions is in the affirmative. Another prolific ground has been the Bengal Debt Settlement Act. No money-lender is now willing to lend money to a tenant on mortgage and whenever he wants money badly, he has to sell outright a portion at least of his holding. The moneylender is a necessary evil and his activities should be regulated and nothing should be done which may drive him out altogether.

The occupancy right was originally a personal right and therefore non-transferable. Unrestricted right of transfer was a move in the wrong direction and against the interest of the raiyat. Restrictions about such transfers to agriculturists only will be inoperative as very few agriculturists possess the necessary funds to acquire more lands. Some of the big tenureholders may have the funds but transfers to them will increase the number of bargadars or under-raiyats of other classes. If the field is thus restricted, value of land will deteriorate. The tenants generally are illiterate and ignorant and have to be protected against themselves. The old rule about non-transferability seems to have been in the best interest of the raiyat. In cases of absolute necessity there should be some authority to decide this question. In the case of sales in Civil Court or Certificate Court, the Court may be given discretion to allow a sale, if he considers it to be absolutely necessary. In the case of private sales, the zamindar's consent should be taken and if it is unrseasonably withheld, there should be an appeal to the Subdivisional Officer or the Collector. The suggestions made above are theoretically attractive but any attempt at giving effect to these is bound to meet with violent opposition from the very persons sought to be benefited, as tempers have been roused to such a pitch by incessant preaching of class hatred and zamindar-baiting in particular that cool reasoning can no longer be expected and the decision will be influenced by the passions roused and not by calm consideration. Restriction of transfer is theoretically sound but impossible in practice under present conditions.

Q. 38. Bighas 15 to bighas 20. The test should be as much as can be cultivated by one plough and one pair of bullocks. This varies from bighas 15 to bighas 20 according to the nature of the soil.

Q. 39. The replies to both the questions are in the affirmative. So long as the laws of inheritance remain as they are at present and the unrestricted right of transfer continues, there is no remedy.

Q. 40. Desirable—but not practicable on account of the Hindu and Muhammadan laws of inheritance and unrestricted right of transfer. Consolidation should be made permissible whenever a tenant so desires and all lands with similar rights and interests may be amalgamated. Amalgamation should be for divided shares and should not be allowed for joint undivided shares as it will lead to confusion.

Q. 41. Yes—but the benefit will be of short duration. Under the operation of the laws of inheritance and as a result of the unrestricted right of transfer, fragmentation will commence very soon after the consolidation. One objection of the tenant to consolidation is that it gives him only one class of land on which he can grow one kind of crop only. Scattered plots give him variety of soil on which he can grow different classes of crops.

Facilities should be given to persons or firms willing to start agricultural farms on scientific lines by mechanical ploughs and tractors. The number of such persons or firms cannot be many but they will serve as models. In order to make any such scheme successful, it is essential to have compact blocks. Those willing to undertake schemes like these may be allowed to purchase the necessary quantity of land and then given the right to consolidate by exchange of plots on payment of compensation where the land given by the tenant is of superior quality. Statutory powers may be given to the Collector to do this and to settle amounts of compensation.

Q. 42. As an abstract principle unequal distribution of wealth is undesirable and consequently any tendency towards accumulation of wealth in one hand ought to be put down. In other words, in theory communism is more advantageous to the masses than capitalism. Considering, however, the difficulties in the way, and the policy of the existing form of Government, it would be inconsistent to direct legislation for levelling up the inequalities in the case of agriculturists only. If the policy is changed and the process of levelling up is extended to all spheres, then only it may be consistent to attempt restriction against acquisition of large quantities of land by one person. Under present conditions it is desirable that effort should be made to promote collective farmings. For the improvement of agriculture, co-operative collective farms may be started which will improve the methods of cultivation and give better crop outturns and such organisations may control marketing also and thus intercept the profit that now goes to middlemen. In this way alone, additional wealth can be secured for the tenants. There may be a marketing board consisting of elected representatives of these collective farms with some experts as co-opted members. The Central Board should be not only a marketing board but an advisory board for all matters connected with cultivation. For instance they may decide which crop should be given preference in any particular year and as to what area should be sown with jute or sugarcane, etc. If the Central Boards and primary collective farms act efficiently, they may effect agricultural improvements and construct embankments and excavate irrigation channels by collective credit and collective effort.

With the same object in view, the promotion of large agricultural farms on scientific basis should be encouraged. For such farms, I would strongly advocate the system of produce rent. It has the advantage that it is on a sliding scale depending on the actual outturn and operates less harshly than cash rent. When there is no crop, nothing is payable by the tenant. On the other hand when the yield is very large the tenant shares in the increased profit. Stringent laws will be necessary for enforcing correct division. The tenants always have a tendency to surreptitiously remove part of the crops from the field before

division. There should be corresponding provision restraining the rent receiver from attempting to realise more than his proper share.

I am not in favour of legislative interference on the question of limit of the quantity of land to be held by any one. For the betterment of the condition of the masses, spread of education is essential so that they may help to improve themselves and attempt at eternal spoon-feeding and protection ought to be given up. A tenant is no longer the helpless creature he was in the olden days and he knows now how to assert himself and to organise for combined action. Unfortunately, however, these associations are concentrating their attention on politics which have a very remote and indirect bearing on the lot of the actual cultivators. The tenant will have to pay his rent whether the zamindar remains or goes and the channels in which the activities of the associations are now directed have no bearing on the immediate welfare of the members of it. Questions like crop selection, manuring, protective and irrigation works, marketing and promotion of cottage industries—in fact matters which may bring more wealth to the tenant, are not receiving any attention from the peasants' associations. Another direction in which these associations ought to take action is curtailment of expenses. With this object, home spinning ought to be encouraged and also salt manufacture where there are facilities. I found that in the Sunderban reclaimed areas, the tenants are allowed to manufacture their own salt from the saline deposit on the soil but Government has imposed a limit to the quantity he may sell. It is not to the interest of the masses to have any such limit. Economic development is preached but in practice restrictions are put and many of the avenues by which the poor people can get some income are shut out against them. The present peasants' associations are all political organisations and not peasants' welfare associations but these are in their infant stage and may be expected to improve with experience. In any case, whether these associations properly function or not, State interference will complicate matters and is undesirable.

Q. 43. Coparcenary is certainly detrimental to good cultivation but it cannot be minimised without interfering with the laws of inheritance. Economics generally deal broadly with 2 kinds of cultivation—extensive and intensive. In Bengal cultivation is extensive, but in the absence of scientific knowledge intensive cultivation is not possible. The people are poor and do their cultivation in the primitive way. Coparcenary gives rise to division into smaller and smaller holdings and generally, what is worse, to smaller and smaller fractional interests in the same holding. No amendment of the Tenancy Act can minimise the evil so long as the laws of inheritance remain unchanged. The economic forces that have arisen in the country and are arising should not be restrained without due care and foresight.

Q. 44. Nothing can possibly be done under the existing laws of inheritance. (*See* answer to question 43.)

Q. 45. No. The numbers of joint landlords are very often as many as 40 or 50 for one undivided fragmentary joint interest. The total number of co-sharers in the entire estate very often exceed one hundred. If a joint landlord fails to make collection he alone suffers and there is no occasion for State interference.

Q. 46. It was not contemplated by the Permanent Settlement that the rents of the khudkasht raiyats should be enhanced above the pargana rates and it was declared in section 8 of the Regulation I of 1793 that Government would protect the interests of tenants whenever necessary. Regulation VIII of 1793 was passed to give effect to this declaration and it was directed that the rents should be settled at the pargana rate and pattas given specifying the rates (*vide* sections 58 to 61). By section 54 and 55 of the same Regulation the imposition of any abwabs or mathoot was prohibited. In the great Rent Case it was held that the rents of the khudkasht kadeemee raiyats "were, under no circumstances, not even on a sale for arrears of revenue, liable either to enhancement of rent, or eviction from their holding, so long as they paid the rents they had all along paid". Regarding khudkasht raiyats whose tenancy commenced subsequently to the Decennial Settlement it was held that they were entitled to hold on at the rate which they have either expressly or impliedly contracted to pay, etc., and on a sale of arrears of revenue, they also are entitled to a renewal of their leases by a purchaser at the pargana rate." The decision of the High Court embodied their interpretation of questions of fact and the law as it then stood and was not an enunciation of any new principle.

In the case of paikasht raiyats and new settlements made of reclaimed lands, the zamindar was given a free hand. It was not the intention that the rents of resident raiyats should be enhanced above the pargana rate and in practice this was never done. The average rates of rent now prevailing in some districts were calculated in the Revenue Department from figures in final Reports of District Settlement and the results are noted in the reply to question 8.

Those figures show that the rate of rent for occupancy raiyat is generally very moderate. There are no doubt instances of high rent, but these are invariably in the case of new settlements and that such instances cannot be extensive is shown by the low average of the district rates. Some extracts are quoted below from the Final Report of the District Settlement of Murshidabad completed recently (p. 116):—

"As far as I could judge from a somewhat intensive study of the conditions in the district, the charge ('melancholy errors of the Permanent Settlement') cannot in my opinion be fully endorsed. Rarely one

meets a village where the tenancy has not continued for generations. It is easier to trace old connections of the peasantry with a village than that of the landlord. That the tenantry could hold to their lands from a time prior to the safeguarding Bengal Tenancy Act is a proof that the circumstances were not so unfavourable as are sought to be made out."

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"The continuity of the tenantry from father to son for generations is a proof that in the largest majority of cases the terms were not unfavourable. The average rent-rate is about Rs. 3 and odd per acre. Judged by the outturn and the rent-rates in the temporarily settled estates in the province this is not high. Here, too, his terms cannot be said to have been harsh, while in every village one may get from any old tenant that in the majority of cases in the past, the relation between the landlord and the tenant was sweeter and much more friendly evincing greater goodwill on either side than what could be claimed to-day. If people's verdict be any evidence—to my mind there can be no better evidence—the position has gone from bad to worse in more recent times when tradition was lost and law was substituted to regulate the relation."

"My conclusion is that the Permanent Settlement as a fiscal measure did nothing to the detriment of the raiyats. It took away no rights which the tenantry then possessed, deprived them of no security which they otherwise had."

The description given above is typical and applies to all other districts of the province as the average low rates of rent, still prevailing, amply testifies.

Q. 47. Fixity of rent was never contemplated at the time of the Permanent Settlement and the principle was quite unknown in the Moghul period and the early British period up to the year 1859. It was an innovation introduced for the first time in Act X of 1859. The first systematic revenue settlement of Bengal in Moghul times was that made by Todar Mal in 1582. He fixed a pargana rate for each pargana and his intention was that the resident khudkasht raiyats should be liable to pay rent at this rate. There were different rates for different crops and a tenant wishing to change his crop had to take the permission of the zamindar and enter into a fresh engagement. The non-resident raiyat was a tenant-at-will liable to ejectment whenever the zamindar pleased, and for him there were no special safeguards nor for new tenants. This idea underlay not only the Permanent Settlement but all subsequent tenancy legislations prior to the passing of Act X of 1859. The right of the khudkasht raiyat was a personal one and not transferable by sale or otherwise, but succession by inheritance was recognised. In Regulation VIII of 1793 provision was made for the interchange of pattas with khudkasht raiyats. Section 56 provided

that it was desirable to settle the rent on the basis of the species of the produce likely to yield largest profit. "Where, however, it is the established custom to vary the patta for lands according to the articles produced thereon, and while the actual proprietors of land, dependent talukdars, or farmers of land and raiyats in such places shall prefer an adherence to this custom, the engagements entered into between them are to specify the quantity of land, species of produce, rate of rent and amount thereof with the term of the leases and a stipulation, that, in the event of the species of the produce being changed, a new engagement shall be executed for the remaining term of the first lease, or for a longer period if agreed on; and in the event of a new species being cultivated, a new engagement, with the like specification and clause, is to be executed accordingly." In the great Rent Case the 14 learned Judges of the Calcutta High Court came to exactly the same conclusions. It was not contemplated that the pargana rate would continue to be the same till the end of the world and under all circumstances. The essential point is that rents for khudkasht raiyat should be paid at pargana rates. Mr. Grant has mentioned in his Minutes that in those early days the price of rice was annas 8 per maund. More than 350 years have elapsed since the introduction of pargana rates by Todar Mal. Prices of food crops and all articles have gone up considerably since then. In a Minute, dated 29th November 1776, Warren Hastings remarked that the "the price of coarse rice, which forms the principal consumption of the people, was five and a half times cheaper in the time of Sujah Khan than it is now" (*Vide* page cccxviii in Firminger's Introduction to the Fifth Report.) In reference to this passage Mr. Firminger quotes the following Table :—

Table of the purchasing power of the Rupee.

	At Murshidabad in Sujah Khan's time.	At Calcutta 1776.
	Mds. Sr.	Mds. Sr.
Rice, fine Bansephoot	1 10	0 16
First sort	1 23	0 18
Second „	1 35	0 21
Rice, Coarse, called—		
Dama	4 15	0 32
Mansurah	5 25	1 0
Kurkashalle	7 20	1 10
Wheat, First sort	3 0	0 32
Second „	3 30	0 35
Barley	8 0	1 13
Bhoot, a kind of grain for feeding horses (gram)	4 35	0 20 to 22
Oil, First sort	0 21	0 6¼
Second „	0 24	0 6¾
Ghee, boiled butter—		
First sort	0 10½	0 3
Second „	0 11¼	0 4

These prices are those prevailing at the 2 then biggest towns of Bengal. It was nowhere laid down that the pargana rate of Todar Mal was fixed in perpetuity. Such a conception would have been irrational. It is, moreover, a matter of history that jama assessed by Todar Mal in 1582 at the pargana rates were added to from time to time. Various kinds of abwabs, like the 12 subadari abwabs, were added to the zamindar's jama from time to time and the zamindar was left free to distribute the addition to his jama rateably on the raiyats. The amount of "Aboab Soubahadarry or Viceroyal Imposts, from 1722 to 1763" amounted to Rs. 1,17,91,853 (for details see abstract No. I attached to Sir John Shore's Minute of 18th June 1789). There was no idea of fixity of the raiyat's rent in Moghul times. The rights of the raiyats were summarised by Sir John Shore in paras. 389, 406 and 407 of his Minute referred to above. I have reproduced these paras. in answer to question 1.

Q. 48. (*a*), (*b*) and (*c*). As stated in reply to the last question, it was never contemplated that the rents of raiyats would be fixed in perpetuity. All that was intended was that the khudkasht raiyats will be liable to pay rents at the pargana rate but it was nowhere declared thdat the pargana rates introduced by Todar Mal in 1582 was fixed in perpetuity for all eternity. Such a supposition would be unreasonable. The paikasht raiyats were mere tenants-at-will and for new settlements also the zamindar had a free hand. The terms of paikasht raiyats and new raiyats were governed by contracts and what Lord Cornwallis was anxious to maintain was that no demands should be made beyond what was permissible according to the contracts. There was no intention to interfere in any way with the making of these contracts. An extract is quoted below from paragraph 2 of his Minute, dated February 1790, to illustrate this:—

"If Mr. Shore means that after having declared the zamindar the proprietor of the soil, in order to be consistent, we have no right to prevent his new abwabs or taxes on the lands in cultivation, I must differ with him in opinion, unless we suppose the raiyats to be absolute slaves of the zamindar. Every bigha of land possessed by them must have been cultivated by them under express or implied agreement that a certain sum should be paid for each bigha of produce and no more. Every abwab or tax imposed by the zamindar over and above that sum is not only a breach of that agreement, but a direct violation of the laws of the country. The cultivator, therefore, has in such cases an undoubted right to apply to Government for the protection of his property and the Government is at all times bound to afford him redress."

The basis of the rights of the tenant was his contract and the avowed intention of Lord Cornwallis was to enforce the terms of the

contract and not to confer any new right to either party. This was implemented by sections 54 and 55 of Regulation VIII of 1793.

(*d*) Section 50 (1) of the Bengal Tenancy Act was an innovation introduced for the protection of tenants as it was found that in practice it was impossible at such a long subsequent period to produce legal proof of the rate of rent prevailing at the time of the Permanent Settlement. The principle of fixed rent was an innovation introduced by Act X of 1859 for the benefit of the tenant on account of the difficulty of producing the necessary proof and action was necessary to make the provision operative, presumption was provided for, to help the tenant. The object of the Legislature in providing for the presumption as to fixity of rent in this section was to provide an easy method of determination of the rights of the parties (Nityananda *vs.* Nanda Kumar 13 C.L.J. 115). The presumption, although it might in one sense be considered as a rule of evidence is to the tenant in this province a cherished right granted to him so long ago as 1859 in consideration, it may be, of his general ignorance and incapacity to cope with the superior intelligence and ways and means of the landlord (Prithi Chand *vs.* Shaikh Basarat, 13 Cal. 30: 13 C.W.N. 1149: 10 C.L.J. 343). The rulings referred to above show what has been accepted by the High Court to be the object of the section. There can be no presumption from this section that any such rule of thumb was contemplated by the promoters of the Permanent Settlement or that they had any idea of fixing rents in perpetuity.

(*e*) The intention of the Permanent Settlement in this connection was declared in the third paragraph of section 7 of Regulation I of 1793:—

"The Governor-General trusts that the proprietors of land, sensible of the benefits conferred upon them by the public assessment fixed for ever, will exert themselves in the cultivation of their lands, *under the certainty that they will enjoy exclusively the fruits of their own good management and industry.....*"

It was not intended that the zamindar would enhance the rates of rent of khudkasht raiyats above the prevailing pargana rates. In fact provisions were made to guard against such a contingency by subsequent Regulations. It was however intended that the zamindar would enjoy the increase from introduction of new tenants for new reclaimed lands or by enhancements by contract from paikasht raiyats. As shown in reply to question I, the assessment made at the Permanent Settlement was an advance assessment and the land was not then capable of bearing it as by the famines of 1770 and subsequent years more than one-third of the population had died and about the same proportion of cultivated land had been thrown out of cultivation. Details have been given in the same answer of the disastrous effects of the Permanent Settlement on the big zamindars in Bengal. The main reason was that

it was not possible to increase population quickly or to bring the extensive areas thrown out of cultivation by famines into cultivation, immediately after the Permanent Settlement. Zamindars were therefore sold up year after year until they could manage to increase their income to some extent by increase of cultivation. It was never intended that the State would share in the profits of acts mentioned in paragraph 3 of section 7 of Regulation I of 1793 (vide portion in italics in the extract quoted above).

It may be pointed out that the State at the time of introducing Permanent Settlement took a broader view of things and had the ultimate object of increase in national wealth in view as that alone could make trade and commerce prosper. An extract is quoted below to prove this from the observations of the Hon'ble Court of Directors (Reproduced in paragraph 10 of Appendix 18 of the Fifth Report):—

"We find it convincingly argued, that a permanent assessment, upon the scale of the present ability of the country, *must contain in its nature a productive principle; that the possession of property, and the sure enjoyment of the profits derivable from it, will awaken and stimulate industry, promote agriculture, extend improvement, establish credit, and augment the general wealth and prosperity.*"

Q. 49. As stated in reply to questions 47 and 48 it was not the intention of the framers of the Permanent Settlement that the rents of the tenants then existing would be fixed in perpetunity. There were 3 classes of tenants at the time, namely khudkasht kadeemee the old resident tenants, ordinary khudkashts created since the Decennial Settlement, and paikasht. The khudkasht kadeemee could hold his land so long as he continued to pay at the pargana rate. This pargana rate was not fixed in perpetuity. This class was not liable to eviction on revenue sale. The ordinary khudkasht was the new settler. He was made liable to eviction by purchase of the estate at a revenue sale. The intention of the framers of the Permanent Settlement regarding new settlers can be judged from their treatment of the ordinary khudkasht raiyat created since the Decennial Settlement and also from section 52, Regulation VIII of 1793. The paikasht tenants were tenants-at-will.

It will be more reasonable now to revise the pargana rate or to fix rates of areas smaller or larger than a pargana according to similarity of quality and conveniences and to cut down or bring up all rates to this level. Large tracts, such as the barind or rarh areas, are of uniform quality and the same rate should apply to all such areas. The cheapest way of giving effect to a scheme like this will be for the Government to lay down the rates after due expert enquiry and then direct all zamindars and tenants to adjust rents accordingly. If, in any case, either the zamindar or the tenant is unwilling to give effect to it, the

other party aggrieved by it may go to Court to enforce the order, the cost being made payable by the party at fault. For every area there should be different rates for different classes of soil. If there is considerable reduction in the rent roll as a result of these operations, the land revenue assessment should be revised.

In many places the old pargana rates are still generally in force. I can say this of Rangpur district but in districts where they are not traceable, new rates may be fixed.

It may not be possible to legally prove the connection between the existing tenants and those existing at the Permanent Settlement, but it can be said who are old resident tenants and who are new settlers from village tradition. The trouble is that when there is tension of feeling, people are not likely to tell the truth but ordinarily it is a matter easy to find out.

It will be seen from the table of prices quoted in reply to question 47 how enormously prices have risen now since the Permanent Settlement and it would be unreasonable to go back to the level of those days now, in fixing rent.

Q. 50. No. In the first place, the assumption that it was the intention that the rents of either class of raiyats should remain unalterable is wrong. Reasons in support of this assertion have been given in answer to questions 47 and 48. The tenancy legislation was all along for the benefit of the tenant. It was the intention ever since 1859 to give him new rights such as rights of reduction of rent for fall in prices, loss of area, flood, drought, deterioration, etc. A *quid pro quo* was necessary and the zamindars were given corresponding rights of increase of rent. The personal right of occupancy was transmuted into a transferable interest and privilege after privilege was added to it. If the idea is to restore the conditions as they prevailed in 1793, it may be necessary not only to cut down the rates in some cases but to cancel all the privileges given to the tenant since then. Such a retrograde measure is not possible now as the present surroundings are quite different from what they were in 1793.

Q. 51. It was not the intention of the framers of the Permanent Settlement that all future settlements of waste lands should be at the pargana rate (*vide* section 52, Regulation VIII of 1793). It was the avowed intention of Lord Cornwallis to preserve the sanctity of contracts. Extracts quoted and detailed reasons given in reply to questions 47 and 48 may be seen. The zamindar was declared the proprietor and he had full control over all lands subject only to rights created by himself by contracts. In those days areas available for cultivation were extensive but tenants were scarce and the zamindar could not afford to scare away tenants by imposing high rates. As

the purchasing power of the rupee was then very high (*vide* table quoted in reply to question 47) and the rents were fixed in cash, they were for this reason very low.

Q. 52. 1 and 2. The systems are very difficult to work. The stumbling blocks are determination of the quantity of produce, the value of the produce (it varies from month to month and some times from day to day and covers a wide range) and cost of cultivation. The amount of out-of-pocket expense of a cultivator is negligible but the value of his labour, cost of up-keep of cattle, etc., have to be calculated. On principle, the systems are sound but practical difficulties make them unworkable. Different Settlement Officers tried to calculate this with varying results.

3. Inspite of its disadvantages, this is the most easily worked in practice and therefore desirable.

4. On account of the present slump in the market value of land the system will give abnormal figures now.

5. Customary rates periodically revised according to the change in prices of staple products ought to give results satisfactory to both parties—the tenant and landlord—but it is a costly procedure.

6. Most objectionable and should never be tried. In Cossimbazar estate at least in making new settlements, the rate of rent is never put to auction. Only the salami payable is put to auction.

Q. 53. It is not possible to answer this question without statistics. The productivity of the land is always taken into account. It is now my experience that in practice the rates differ greatly for lands of similar value in almost every village. Rack-renting is common in the case of under-raiyats but for *de jure* raiyats the rates are generally uniform. The majority may probably be described as lump rates, but they are always for a specified total area. For increase or decrease in area there ought to be provisions for increase or decrease in rent. According to High Court rulings, the principles laid down are unworkable and neither increase nor decrease can be proved except when there are registered documents.

Q. 54. (1) No.

(2) Customary rate, productivity, laws of supply and demand, quality of soil, marketing facilities, irrigation facilities, liability to floods and other natural calamities, and healthiness of the place. Malaria is depopulating villages in some districts and there is no demand for land in such places.

Q. 55. Yes; the principle will be uniform but rates will differ according to the class of soil, facilities for marketing, facilities for irrigation, prevailing prices of staple food crops, liability to natural

calamities like floods, diluvion, drought, etc., and healthiness of the place. In districts which are being depopulated by Malaria there are no applicants even if lands are offered free of salami and at quit rents. Lands in such districts are going out of cultivation and once populous villages are being converted to jungles.

Adjustment of rent cannot be done without a revision of the record-of-rights. Except in riparian areas where a fresh survey is essential, cost of revisional operations can be minimised by commencing from the attestation stage. There should be settlement of fair rents in these operations. Rates of fair rent for different classes of land will have to be determined first and then the village may be divided into different blocks, classified according to quality, and rents for all plots in a particular block, should be at the rate for that block. This was the practice in Bihar settlements but the system gave indifferent results as the Assistant Settlement Officers very often shirked their duty and avoided trouble by fixing rates after cursory inspection of a part of the village only. If the system is worked conscientiously it ought to give good results. Very close supervision by officers over the actual working is necessary to ensure that correct rates have actually been applied to all plots and also that the calculations, plot by plot, are correct.

Q. 56. For cash rents it should be a tenth share of the average value of the produce as it is rigid and applies equally to lean years and good years. Half in case of produce rent as it operates on a sliding scale. Tenth share of the value of the produce may tend to increase existing rates of rent in some cases and lower in others. According to the Final Report of the Murshidabad District Settlement the existing incidence of settled raiyats' rent is about 4 per cent.

Q. 57. Rent should not be fixed in perpetuity. It may operate harshly both for the landlord and the tenant. The rents should be revised at intervals of 15 years. The revision should be on the grounds contained in the existing Bengal Tenancy Act. The needs of the State should certainly not be a ground for enhancement in any case.

Q. 58. No. It will be impracticable to calculate the income of an agriculturist and annual enquiries will be highly expensive and harassing and very liable to leakage and malpractices.

Q. 59. I do not consider the existing accepted principles and procedure for fixing fair and equitable rent to be defective.

Q. 60. It is true that the landlord does nothing in the case of improvement by fluvial action, but on the other hand the tenant also does nothing to earn the increase. The extra profit ought to be divided in the same proportion as in the case of the original rent in relation to the value of the produce. For instance, if the rent has been fixed at

1/10th of the value of the gross yield the extra profit by fluvial action ought to be divided in the same ratio, i.e., landlord 1/10th, tenant 9/10th.

It is not possible to judge slight improvements or deteriorations through fluvial action in lands already under full cultivation and in such cases no enhancements or reductions should be allowed. But when there are marked changes, such as when lands which were completely unculturable or very partially culturable and the rates of rent were for that reason fixed low, and become fully cultivable through fluvial action, enhancement should be allowed. Similarly, when lands under full cultivation at high rates go out of cultivation through fluvial action there should be reduction.

Q. 61. No. The corollary to disallowing enhancements on account of rise in prices would be similar disallowance of reduction on account of fall in prices. Rigidity is harmful both to landlord and tenant.

Q. 62. The underlying principle involved in this question is unsound and will lead to absurd results. The rule should apply equally to all and individual need ought not to be taken into account. If rates of rent are adjusted on the basis of individual needs there will be no confusion and injustice. For instance, a man who is the head of a big joint family with say 30 members may require not only the entire produce but some extra income from other sources and he may very well claim under this doctrine that he will pay no rent at all. On the contrary a man having no dependents ought to be liable for high enhancements. Such a doctrine cannot be worked in practice and is not rational.

Q. 63. There should be a law for reduction on the ground of prevailing rates and there is nothing objectionable against a corresponding provision for enhancement on the same ground. If a raiyat had made improvements long ago, he must have been fully compensated by the increased yield. Section 77 of the Bengal Tenancy Act gives full right to the raiyat to make improvements and when both the landlord and tenant want to make the same improvement preference is given by this section to the tenant. If the tenant effects an improvement and is ejected he is entitled to compensation (section 82). The tenant enjoys the full benefit of improvements made by him and the landlord cannot claim enhancement of rent for this. No special rule is necessary for improvements made long ago. Salami is not advance rent (Dinanath *vs.* Debnath 13 W. R. 307). It is paid in consideration of the lease granted and rights conferred. The finding of the High Court in the ruling mentioned above is to this effect.

Q. 64. Contractual rents which are not for fixed periods should be liable to revision at intervals of not less than 15 years. The right to

contract should not be interfered with except for very special reasons and the only valid reason in cases of contracts between landlords and tenants is that the period is indefinite and a long time has elapsed and circumstances have altered. Non-interference should be the rule and interference the exception.

There should be no attempt at fixing rents for new settlements. The ordinary laws of supply and demand and the sanctity of contracts should not be interfered with. A rigid rule about rates of rent will retard progress. There are many factors to be considered in fixing rent and it is not possible to take into account all these in a rigid rule. Result of any attempt at fixing rates for new settlements will be the levy of very high rates of salami.

Q. 65. I do not consider that the law is defective but the spirit in which it is generally administered gives rise to complaints. A good deal of discretion is left in the hands of the Revenue Officers and in matters like these such discretionary powers are essential. In practice, however, it is found that in Government estates and temporarily settled estates there is always a tendency to look more to the increase in revenue than to the interest of the tenant. The officer has an eye to his preferment in future career and there is an impression that merit is judged by the capacity to increase the revenue and if an officer succeeds in doing so he will get his reward by special promotions to higher services. On the other hand in permanently settled estates there is generally a bias against the zamindar as in these the officer gets more credit if he can pose as the saviour of the masses by showing preference to them. There may be an improvement if the settlement staff is made permanent with a self-contained cadre on time-scale so that the officers may be less liable to be influenced by considerations mentioned above.

Q. 66. The answer to the first part of the question is in the negative. The second part does not arise.

Q. 67. Revisional settlements of land revenue are invariably made with the object of enhancing revenue. This will be demonstrated if the results of the revisional settlements are examined. In every instance it will be found that there was a large increase.

Q. 68. No. The tendency is always in the opposite direction in the case of permanently settled estates but I have not got the records with me and I am unable to quote instances. An examination of the final reports of revisional land revenue settlements will throw light on this point.

Q. 69. No; because the tenants in such cases get the advantage of the lower prices to reduce rent. I have not heard of any legitimate

grievance on this ground. Revisional settlements in permanently settled estates are unpopular as the tenants have to bear a portion of the burden. Land revenue settlements are not popular as they involve a good deal of harassment for several years and some expenses not always legitimate are unavoidable.

As a rule, however, revisional settlements should not be undertaken during a protracted period of depression as the recovery of cost becomes burdensome in such years.

Q. 70. I have no information on this point.

Q. 71. The rules in the Tauzi Manual about remission and abatement of land revenue in permanently settled and temporarily settled private estates are inoperative not so much on account of any inherent defect in the rules but as a result of practical difficulties and the spirit in which they are administered. The rule is that the zamindar will give the same relief to the tenureholder or tenants as he himself gets. For example, if half his revenue is remitted, he will remit half the rent due for that year. One great difficulty is in estates in which there is considerable subinfeudations. The zamindar can extend the concession to the man from whom he gets his rent, i.e., the tenureholder of the 1st degree but it is impossible for him to see whether the tenureholder of the 1st degree is extending the concession to the one immediately below him and that latter again is passing on to the one next below and so on throughout the chain until the cultivating raiyat is reached. One solution may be to tackle the man at the top—the zamindar—and the one at the very bottom, the cultivating raiyat. Whenever Government grants remission to the zamindar, Government may issue a proclamation in the villages to the effect that the rents of the tenants for that year also are remitted in the same proportion as the revenue of the zamindar. The law may be slightly amended to give the Government the necessary power to remit rents of tenants in the same proportion as Government revenue and also to restrict Civil Courts and Certificate Officers from decreeing or realising any part of the amount so remitted by a proclamation, either on behalf of a zamindar or tenureholder of any degree.

It will be found that famine after famine have passed and test works were opened but no relief has ever been granted to zamindars or tenants under them. The rules in the Famine Code are evaded by refraining from declaring a famine and declaring a state of scarcity only. If famine is declared, elaborate measures have to be adopted which are not only very costly but throw very heavy work on district officers who generally do not relish such a prospect.

There are zamindaris in which subinfeudation is negligible and in which, therefore, the difficulties of transmitting the concession to the

raiyat do not exist. Even in such estates no remission of revenue has ever been allowed.

In general administration there is always an eye to the revenue, an unexpected diminution in receipts from which may upset the budget and so far as my experience goes, remissions in Government estates are very grudgingly given and not to the full extent.

No amount of modification of rules will bring about an improvement until the point of view and spirit of the administration is changed. The sole consideration should be the welfare of the masses and not the effect on the budget or the wrath of the Finance Department.

Q. 72. (1) *Jute.* Average yield is 12 to 15 maunds per acre.

Cost of cultivation—2½ rupees per maund. Ordinary expense per acre is about Rs. 30.

(2) *Paddy.*—Average yield 15 maunds per acre.

Cost of cultivation—By hired labour it is estimated between Rs. 5 and Rs. 10. In the case of a cultivator who cultivates with his own plough and cattle and does not employ hired labour, he incurs no out-of-pocket expense except the price of seed.

(3) *Sugarcane.*—Average yield is 150 maunds.

Cost of cultivation about Rs. 60. In districts like Burdwan a good deal of expenditure has to be incurred on irrigation—the cost being estimated at the rate of Rs. 30 or above.

The estimate of cost given above is based on reports obtained from the Circle Superintendents of this estate. It is a curious coincidence that exactly the same figure is given in the Final Settlement Report of Murshidabad. A detailed calculation of the cost at every stage will be found on page 318 of the Report.

Q. 73. The answer to the first part of the question is in the affirmative. The reason is that manure is seldom used and the lands are becoming exhausted. Government have taken no steps worth mentioning. The Agricultural Department took some action towards proving to the tenant that cowdung manure gives best results if collected in pits. The effort was, however, sporadic and spasmodic and the result attained is negligible. So far as I am aware, no attempt has been made to popularise chemical manures. Distribution of improved seeds has been done to a certain extent specially in the case of paddy. It was, however, not done systematically in the entire province. In dealing with common pests the Agricultural Department is thoroughly inefficient and no help can be obtained from it. Except as a relief measure in times of scarcity, seeds or manure are never distributed free by

Government. No serious attempt has been made to improve the breed of cattle. Stud bulls are occasionally kept by District Boards and also by jails but they are hardly accessible to the masses. The value of irrigation also needs demonstration. In Rangpur district potato is grown but the fields of potatoes are never irrigated and the potatoes grown under such conditions generally attain the size of a marble and the yield is small. Another direction in which action ought to be taken is growing of additional crops to bring additional income. For instance kalai or other pulses can be grown in paddy fields after winter paddy but the universal trouble is that the custom is that cultivators let loose all their cattle in the fields after paddy harvest and it is impossible to grow any crops after paddy. Stall-feeding of cattle is expensive but by joint action certain fields may be set apart by rotation every year for cattle grazing and crops grown in the rest. The tenants are very conservative in matters connected with cultivation and are adverse to doing anything which their forefathers never did and they need guidance and expert advice. Government can do much to improve the lot of the cultivator apart from distribution of seeds or manure.

Q. 74. *Land Improvement Act.*—Very little advantage has been taken of it by the tenants. They are as a rule heavily indebted and do not wish to incur further debts. Zamindars from time to time want loans under the Act but they are difficult to obtain specially on account of inadequate budget provision.

Bengal Sanitary and Agricultural Improvement Act.—The first Act passed was very defective and therefore inoperative. Some advantage has been taken of the amended Act but not to any large extent.

Bengal Rural Development Act.—Practically a dead letter. Systematic propaganda is necessary in the early stages to make the provisions generally known. District Officers and Subdivisional Officers are the best agencies which can be utilised for actions under the Act until the benefits of it become known to the public. The agency of the Agricultural Department may also be utilised.

The Acts are not utilised as the people lack initiative and are very conservative. Cultivators as a rule do not want to do anything which their forefathers did not do. Illiteracy is a great evil. The aim should be to popularise all the acts mentioned above and to induce union boards to take the initiative. Intensive propaganda by Government is necessary and in the beginning the initiative should come from the Government.

Q. 75. I have no information on these points.

Q. 76. I have no information regarding the first two questions.

As regards expenditure on improvement, there is a rigidly fixed percentage which is adhered to and all receipts from salami or any other source, such as sayer revenue, are treated as Land Revenue and are spent on general administration or other State purposes. Receipts of salami are never ear-marked for improvement.

Khas Mahal Report, 1938, by Mr. M. M. Stuart, I.C.S., Special Officer, shows that salami is realised in Government estates but he recommends that in case of diluviated tenants the rate of salami should be reduced (p. 30).

Q. 77. The general policy of Government is responsible to a great extent for the uneconomic condition of the raiyat. The free right of transfer has done great mischief but the greatest mischief has been done by the Debt Settlement Act which has deprived the raiyat of the last vestige of credit. The general policy of the Government has made the tenant more improvident than what he was before. The idea has gained ground that if sufficient clamour is made Government will make any concession. The habit of payment of just dues when the tenant is in a position to pay has been completely lost and as a result of this all co-operative credit societies, loan offices, agricultural banks, etc., have been wrecked. The source from which all these bodies used to get their capital—the middle classes—has been choked up. The village mahajan is a necessary evil but instead of trying to moderate his evils he has been driven out altogether. The zamindar has been deprived of his means of speedy recovery of legitimate undisputed dues by suspension of certificate procedure, and the result is that heavy arrears are accumulating and the burden will be too heavy for liquidation in future. Conditions now are chaotic. Attention ought to be concentrated on finding out ways of increasing the wealth of the masses and Government should, therefore, be in the interest of the people. This means that economic development in the interest of the people is essential. I may suggest the following as an illustration of the general proposition made above—

(1) Introduction of additional crops and improving methods of cultivation by irrigation, use of improved seeds, manuring, etc.

(2) Marketing facilities to give a better return to the cultivator for his crops. My idea is that there should be combines or co-operative credit associations of the peasants to control the sales on the lines of the Rajshahi Ganja Society. There should be primary associations with 1 or 2 or more homogeneous villages and Central Boards above them and a Provincial Board on the top. Both paddy and jute may be controlled like this. The main object is to absorb the profit now enjoyed by middlemen.

(3) Promotion of cottage industries, specially spinning and weaving for home consumption.

(4) Free permission to manufacture salt where facilities exist.

(5) Improvement of sanitation and drainage.

(6) Rural development. Clearance of water hyacinth will not only provide employment for a large number of people but improve both sanitation and communications. Works like these can be undertaken under the Sanitary and Drainage Improvement Act; the zamindar and tenant and middlemen paying in proportion to the advantage. Nobody wants to take the initiative as it involves too much labour and the busy District Officer and Subdivisional Officer can hardly find time for such works. The work ought to be taken over by the Agricultural Department. Agricultural Department needs expansion and when expanded can take up items 1, 2, 5 and 6, 7, 8. The Industries Department can take up 3, 4. The other items may be taken up by the respective departments of the Government.

(7) Improvement of tank and fisheries on scientific lines.

(8) Improvement of cattle.

(9) Establishment of a credit system through Land Mortgage Banks or otherwise.

(10) Improvements of communications and arrangements for transport of produce to markets.

(11) Supply of drinking water and water for cattle.

(12) Spread of primary education.

(13) Establishment of dispensaries both veterinary and for the people through local bodies and with Government aid, when necessary.

In most of these there should be co-ordination of the activities of the Government, local bodies and the zamindar. Government may draw up general schemes and declare what help they expect in connection with each from local bodies and zamindars and how much they propose to do themselves and to see that each does his share.

It is essential that the tenants should be trained to habits of punctual repayment in order that their credit may be rehabilitated and the institutions from which they used to get help may function once more. All these institutions and zamindars should be given power to realise their dues promptly. Until credit is re-established, economic development is not possible. Steps for increasing the wealth should be taken simultaneously.

Q. 78. (*a*) and (*b*) About Rs. 150 per annum for an average family of five with an economic holding growing paddy only. Some times there are incomes from side-crops to the extent of Rs. 50 at the most.

In paragraph 119 of the Murshidabad Final Report it is stated that incidence of rent represents 4 per cent. of the total value of crops. In paragraph 124 the average size of a holding is given as 5·22 of which 5 per cent. remains fallow. Net area on this basis is 5 acres. The value of the total produce on these figures works out to Rs. 375. This seems to be an over-estimate. If the average yield of paddy is taken at 15 maunds per acre the yield of 5 acres should be 75 maunds and the value about Rs. 150. This is for an average family of 5, the individual income being Rs. 30 per annum or about annas 1-4 per head per day. Where there is good crop the tenant can meet his bare requirements but has no reserve for emergencies like sickness, etc. The position is better in jute districts and in districts where other valuable crops are cultivated and also where the majority of lands is twice or thrice-cropped. At a rough guess it may be said that about 50 per cent. of the cultivators can maintain themselves from their income.

Q. 79. The present system and organisation for the preparation of land records is adequate. They are properly maintained in khas mahals and Wards' estates. One difficulty experienced is that if mutations are noted in the printed records the Civil Courts generally decline to accept such corrected records in evidence. In order to satisfy the Courts a double set of records are necessary but the expense of that would be prohibitive. The law may be amended to make such corrected records admissible in evidence. Maintenance may be made obligatory on private zamindars by law but this will be operative only in districts where the records are of comparatively recent date and also only for tenants directly under the zamindar and in other cases only in respect of tenureholders of the 1st degree. It will not be possible to maintain the records of tenants under tenureholders.

It is possible to maintain the records by noting all changes but it will not be possible to note the crops of each plot each year. When a zamindar gets his rents from a tenureholder, it is impossible for him to get information about tenants under tenureholders.

I have no knowledge of the system in use in the United Provinces.

Q. 80. Please see reply to question 77.

I have recommended items (*i*) to (*iv*) and several other measures.

I do not think that cattle insurance will succeed. The cattle are kept under such conditions and moreover they are liable to sudden wholesale death by floods and necessarily, therefore, the premia will be very heavy and a tenant will never agree to pay it.

Q. 81. The answer to the first part of the question is in the affirmative.

The second part cannot be answered in the absence of statistics. It is very easy to calculate the surplus population from available reports.

(1) Take the agricultural population from the last census reports including rent receivers and rent payers and agricultural labourers.

(2) Take the net cropped area either from the statistics of the Agricultural Department or by adding from the final district settlement reports as far as available. For the districts for which settlement is still in progress (Rangpur, Dinajpur, Howrah) the proportion of net cropped area to total district area may be taken in the same ratio as the average for districts for which such reports are available.

(3) Take a family of 5 as the unit for a holding of bighas 15 or bighas 20.

(4) Work out how many such families are required for cultivating the total net-cropped area.

(5) Deduct the figure obtained in (4) above from the figure in (1) and the result will be the surplus population.

Q. 82. Establishment of industrial concerns is one solution but attention should also be directed on the points mentioned in reply to question 77. Establishment of industrial concerns will help the landless labourers and the small tenant but employment cannot be found for sufficient numbers to relieve the bulk of the cultivators. For them, attention should be directed to the points mentioned in reply to question 77.

Q. 83. Stability of tenancy legislation and debt legislation is essential. Frequent amendments to Tenancy Laws and Debtors Acts have made the tenants lose all credit. No improvement in the credit system can be expected so long as present conditions continue. The Acts, meant to protect the tenant, are damaging his credit and at present he has practically no credit. All organisations have been dislocated as a result of this loss of credit and the direct encouragement given to the tenant-debtors not to pay their dues. All the co-operative credit societies, which were at one time functioning efficiently, are now in a moribund condition. The village mahajan has been hit hard and is no longer willing to advance loans and the tenant has to sell part of his land to raise money. The Debt Settlement Boards have made matters worse. There were at one time over 100 loan offices in Rangpur district, all of which have suspended payment in consequence of which the middle-class people who had put money in them have lost all their hard-earned savings and a very important source from which capital could previously be obtained for agricultural credit has been completely lost. Co-operative credit societies also used to get a considerable portion, if not the bulk, of their capital

from deposits by middle-class people. For those societies also this source is now completely dried up. By recent legislation all the efficient organisations that existed have been killed. In all legislations both sides of the question ought to be examined. It must be recognised that the village mahajan is a necessary evil and indispensable. His abuses should be controlled but he must be given reasonable facilities to realise his just dues if it is intended to maintain this institution. Similar facilities for realsation ought to be given to the co-operative societies, loan offices, agricultural banks, etc. One-sided legislation destroys credit. Debt settlements should be on equitable lines and on fixed principles and it should not be left to the whim of the ill-educated and ignorant President of a Board to do what he pleases.

Q. 84. I have no statistics to check the percentage mentioned. The only remedy is to fix the maximum rate of interest. The question does not rise now as the village mahajan, co-operative credit societies, loan offices, etc., have all stopped granting loans and the tenant has to sell his land in order to get money. The drain has been stopped but the tenant is being and will be sold out. Agricultural credit must be rehabilitated and consideration of questions relating to the defects of such organisations is useless now. When such organisations come into existence again, their workings may be regulated and defects cured.

Q. 85. If the societies had been backed and realisation of their dues enforced and a habit of repayment of debts inculcated, they would have been very useful. The rate of interest charged by the co-operative societies is not too high in view of the rates at which they themselves have to raise capital. The societies have practically ceased to function as all their capital is frozen up. There are some debtors who are unable to pay but the majority are in a position to pay but will not pay as they are confident that Government will always extinguish their debts by a stroke of legislation or executive order. I am not aware of a single society which succeeded within the short time it functioned in clearing the debts of its members. If these societies had been helped to grow, such a result might have been attained in time but being frozen up they are practically non-existent. The bulk of the capital for these societies used to come from private depositors but as they have practically lost all their investments, no one is likely to invest in them any more and it will no longer be possible to tap this source for capital to finance such societies.

Q. 86. Debt Settlement is operating very badly. The principal defects are—

(1) Paucity of suitable men for the post of President.

(2) Inordinate delays. Presidents are sometimes deliberately sitting over cases as they themselves or their near relatives are debtors.

Delays of over 1 year are very common. The creditor has to attend every day a number of Boards only to be told that the case is adjourned. No reasons are generally given for these adjournments. Sometimes they are due to want of a quorum but generally because the President tries to put off the evil day as long as he can.

(3) There are no fixed principles in fixing instalments. Government ought to lay down general principles. For instance, in the case of rents, Government should declare what the instalments should be for the sake of uniformity of practice. As suits are generally filed for 4 years' dues there should ordinarily be 4 instalments and the tenant should pay each year—1 year's arrears according to instalment and the current dues for the year. The minimum instalment should be half year's dues and maximum one year's dues. In this way the debt may be ordinarily cleared in 4 years. I know of an instance in which the 4 years' dues amounted to about Rs. 70 and the Board allowed 20 years for repayment of it. The instalments should be reasonable.

(4) Another defect is in the method of service of notice on the creditor. The procedure for it is not prescribed. It is sent by ordinary post and if for wrong address or wrong description of the name the notice does not reach its destination the creditor gets no information and the case is decided *ex-parte*. The Boards never satisfy themselves that the notice has been served. The tenants seldom know the names of all the co-sharer landlords and the bulk of them get no notice.

(5) The Law does not say what should be the remedy for co-sharers who are not named by the debtor and therefore on whom no notices are issued at all and who get no information. In the first place notices should be issued by registered post with "acknowledgment due". The case should not be heard until acknowledgments are received. Co-sharers to whom notices are not issued should not be bound by the decisions and should be at liberty to re-open the case when they come to know of the proceeding.

(6) The section 8 (1) provides that the debtor may file applications before the Board having jurisdiction over the place where his property is situated. In the case of rents this gives a handle to the debtor to harass the landlord. For instance in the case of mauza Frasergunge in the Sunderbans in 24-Parganas district, most of the big jotedars are people of Midnapur, Calcutta, etc., and they have filed applications before Boards in Midnapur district in different places like Tamluk, Contai, etc., and it is difficult for the tahsildar at Frasergunge to produce the necessary papers and other evidence in so many distant places. For rents, the jurisdiction should be of the Board constituted for the area in which the land is situated.

(7) There are gross abuses as persons who are not actual cultivators but are big tenureholders and even business and professional men are taking advantage of this Act to thwart the creditors. Heavy penalties should be provided for such abuses and the law should be made more explicit about the persons who are entitled to apply. Even an Hon'ble Minister has applied under this Act. Big tenureholders may have hundreds of tenants under them but as a rule they keep bighas 5 or bighas 10 for khas cultivation. He is primarily a rent-receiver like the zamindar but taking advantage of the fact that he has a few bighas under khas cultivation he claims to be a cultivating raiyat. Cases of this nature are very common. Some Boards rightly reject such applications but others take the opposite view and entertain application from such persons. These persons have in most cases been recorded in the settlement records as tenureholders but such evidence is rejected and the Boards practically over-ride the settlement records and come to independent conclusions at their discretion.

(8) No guiding principles are laid down in the Act to decide the proportion in which the debt is to be cut down. It may be laid down that all compound interest should be disallowed and the rate of interest cut down within limits which should be prescribed by the Act. Some indication should also be given of the period to be allowed.

Q. 87. They will be failure unless punctual repayment is made obligatory. At present the tenant has no credit and such banks will be more like benevolent charitable institutions rather than business concerns. In order to make them function they must be relieved from the jurisdiction of Debt Settlement Boards. The impression now common is that all debts and even arrears of rents can be wiped out by executive order or legislation, if sufficient clamour is made. Last month a crowd of about 1,500 people came to Rangpur to see the Collector. Their prayer was wiping out of arrears and reduction in rates of rent. No Government official has the courage to say that the arrears cannot be wiped out. So firm is the idea in Rangpur district that tenants who are in a position to pay are withholding payment as they fully expect that all arrears will be wiped out by Government and it is more profitable to accumulate arrears. So long as ideas like these are common, no bank can function. People won't repay in the expectation that Government will clear all debts by legislation. Contracts now are scraps of paper.

Q. 88. So far as I am aware these banks also are not functioning as their prosperity, as in the case of co-operative credit societies, depends upon free circulation of money for which punctual repayment is essential. If capital is frozen up, no bank, or co-operative credit office, or loan office or mahajan can continue to function.

So long as punctual repayment cannot be enforced, there can be no improvement.

Q. 89. The machinery available for amicable realisation is not costly or cumbrous but the procedure for realisation through Civil Courts is cumbrous and more costly to the tenant. The reason why the tenants hate certificate procedure is because it is effective. Mr. M. M. Stuart, I.C.S., who was appointed Special Officer to investigate the conditions prevailing in the khas mahal came exactly to the same conclusion. An extract from page 8 of his "Khas Mahal Report", 1938, is quoted below:—

"When the debt of one person to another is not in dispute it has been considered unnecessary to use full civil court procedure for its realisation. The existence of a settlement record has normally put the existence of the debt of rent beyond doubt. It is not on account of injustice that certificate procedure has become so unpopular but on account of its greater efficiency."

Again on page 10 of the Report:—

"The chief advantage the tenant had in zamindaris was being able to get into arrears."

It may be explained that in realising rent through a Civil Court, a plaint has to be filed and the amount payable is determined and there is a decree. Separate application has then to be filed for execution of the decree. In certificate procedure the certificate is equivalent to a decree and the proceedings therefore starts from the decree stage.

The greatest harassment and increase in costs both in rent suits and certificate cases are due to the extreme degree of corruption that prevails among court peons. At every step he has to be paid something. For service of notice there are fixed rates. A report of personal service can be obtained without stirring out from headquarters by satisfying the peon. If a peon does not get his perquisite, service will never be personal. If a distress warrant has to be executed he must be paid sufficiently. If the judgment-debtor outbids the plaintiff and pays more than what the latter has paid, the distress warrant will be ineffective or very partially so and the distress warrant will be issued over and over again increasing the cost. There is nothing to choose between the civil court peon and the certificate peon. So long as there are persons to tempt the peon for gaining undue advantage the evil cannot be checked. Executive action alone cannot eradicate it unless there is public opinion to back it and bribe-giving is taken as seriously as bribe-taking.

Q. 90. The answer to the first part of the question is in the negative. As was found by Mr. Stuart, the Special Officer, it is so unpopular because it is effective. He came to this conclusion after extensive local investigations. Please see extracts from the report quoted in answer to last question.

Summary procedure like certificate procedure should be allowed when there is no dispute about the demand.

Q. 91. The question is too diffuse to be answered.

Q. 92. Impossible to answer within the time allowed. At least 6 months' time is necessary to investigate this and give opinion in detail.

Q. 93. So far as this estate is concerned the annual loss is:—

		Rs.
1342 B.S.	... ...	17,426
1343 B.S.	... ...	17,437
1344 B.S.	... ...	17,520

Average Rs. 17,461 per annum.

Considering that the rent roll of the portion of the estate in which collections are made directly from tenants is Rs. 13,20,721 the amount of loss is not considerable.

Oral evidence of Rai J. N. Sircar, Bahadur, B.A., B.C.S. (retired), Manager, Cossimbazar Raj Ward's Estate, on 9th February 1939.

In reply to Sir F. A. Sachse, Rai Bahadur J. N. Sircar said that certificate procedure is one of the reasons why khas mahal management is unpopular with the tenants, but it is in the best interests of the tenants themselves that they should be made to pay rent punctually. As was observed by Mr. M. M. Stuart, the Special Officer appointed by Government, the certificate procedure is unpopular on account of its efficiency. If tenants are allowed to fall into arrears of rent for three or four years, they are apt to feel that they have no hope of paying off the arrears and take little interest in their holdings.

He mentioned that in Baharbund parganas, the threat of certificate procedure had been largely successful in clearing off arrears, which were now reduced to 1½ times the current demand. He thought it important to give plenty of notice to the tenants. If the crop was good, his practice was to issue notice to the smaller tenants telling them that the estate expected, say, 1½ years' rent, and to the bigger jotedars that the estate expected payments in instalments mentioned in the notice. If no payment was made this was followed by a second notice threatening certificate procedure. On failure to pay after the second notice a draft certificate was sent to the Superintendent who served a third notice before filing a certificate. The tenants generally paid up and actual filing of certificates was necessary in a very few cases only. Had certificate procedure not been suspended, all the arrears would have been cleared off by now.

He agreed that all landlords, including khas mahals, who allowed the tenants to fall into heavy arrears during the boom period were guilty of a great disservice to the tenants themselves. The smaller landlords are irregular in realising arrears because they can only afford to bring rent suits when rent is about to be time-barred.

In reply to the Chairman, he said that he belonged to the Provincial Civil Services (Executive Branch) and served in the Khas Mahal Department at Monghyr from 1900-1906, since when he had served in various districts in charge of khas mahals and Court of Ward's Department, and was Assistant Secretary in the Revenue Department from 1928 till his retirement in 1935. Since 1935, he has been Manager of the Cossimbazar Raj Ward's estate.

In reply to Khan Bahadur M. Hosain, he said that Regulation I of 1793 made no express provision regarding the raiyats. It certainly said that they would be protected but it did not define their position. The word "raiyat" was used in general terms. Regulation VIII of 1793 laid down that pattas must be granted by zamindars but it does not mention either "khudkasht" or paikasht". Section 52 of that Regulation does not imply that settlements could only be made with farmers: otherwise the words "in whatever manner he likes" become meaningless. He would not agree that the zamindars were not proprietors of the soil. They were distinctly referred to as proprietors in the Regulations, and previous to the Regulations Sir John Shore had come to the conclusion that they had proprietary rights from before. Khan Bahadur M. Hosain quoted the Despatch of the Court of Directors of September 1792 in order to indicate the opposite view. Rai Bahadur J. N. Sircar did not agree that the vast majority of landlords at the time of the Permanent Settlement were simply rent-collectors. In reply to a quotation from a Minute by Messrs. Mackenzie and Grant he quoted Sir John Shore's note reproduced in his answer to question 4.

He considered that most raiyats had no rights at the time of the Permanent Settlement and thereafter. He agreed that Lord Cornwallis might have said that no raiyat should be ejected, but in practice they have been ejected and it was certain that when the frequent revenue sales took place after the Permanent Settlement, new purchasers stepped in who had a right to evict.

His figures showing the profit derived from buying out the landlords were only a rough estimate. His figures given in reply to question 10 covered the last six years but he did not agree that the whole period could be considered one of economic depression. In the last 3 to 4 years, there has been an improvement, and the collections in the Cossimbazar Raj estate were about 120 per cent. of the current demand in 1343 B.S. This was the average for the districts in which there are

zamindaris, and in some individual districts the percentages were over 150.

Most bargadars supply the plough and cattle but not the seed. If they are given occupancy rights, the result will be that no one will give land to them and a large area will go out of cultivation. He agreed that some bargadars might have been recorded as tenants in the record-of-rights but he was not aware of it. Provided there was no commutation section, he thought there would not be so much objection to giving bargadars occupancy rights but he thought that there would be a great agitation against it. Bargadars are tillers of the soil, but he would describe them as hired labourers.

Before the Permanent Settlement, the khudkasht raiyats had the right of paying not more than the pergana rate, but the rate was assessed differently for different crops and if a tenant wished to grow a more valuable crop his rent was enhanceable. He thought that the pargana rate was rather vague in its application and did not agree that it governed the paikasht raiyats.

Khan Bahadur M. Hosain then quoted from the Directors' Despatch of September 1792 to show that the object of the Directors was to secure to the raiyats the same security as to the zamindars, and asked whether there was any authority to show that the rent of khudkasht raiyats was enhanced after the Permanent Settlement. Rai Bahadur J. N. Sircar replied that the quotation meant simply that existing rights were to be observed. The great Rent Case was an authority to show that rents could be enhanced. The other authorities for this principle could be found in the Minutes quoted by him in his reply. As there was no codified law until 1859, no other authority was available.

In respect of a certain class of tenants, fixity of rent had developed, but in the Moghul period there was no such idea.

In reply to Khan Bahadur Momin, he said that at the time of the Permanent Settlement the tenants had no proprietary rights. He agreed that before the Permanent Settlement various systems of collection had been tried by the Company such as farming leases and direct collections. He did not agree that direct collection by the Company was a negation of the zamindar's proprietary rights. The zamindars were given malikana which in itself means payment to a malik or proprietor. The Government of the day was autocratic and did what they pleased. Murshid Kuli Khan (Jaffar Khan) realised the dues direct from the tenants but he made use of the zamindars' staff and after three years the zamindars were restored to their estates by Shuja Khan. This was not necessarily contrary to the idea of proprietorship. In Bengal there is no absolute proprietorship as there

is in England. In Bihar, it was the custom to realise rents in kind and the produce was distributed partly to zamindars and partly to Government officers, and in Bihar therefore the exercise of proprietary right by the zamindar was not clear. In Bengal the zamindars themselves made the collections: there were no State officials, and the practice was more consistent with their proprietary right. He agreed that zamindars were proprietors subject to the payment of revenue. He said that the tenants could not be considered to have proprietary rights. If that was the case, who was the proprietor of the waste land at the time of the Permanent Settlement? Khan Bahadur A. Momin replied that the State was the proprietor of such lands. This reply he considered inconsistent with section 31 of Regulation II of 1819. The State was not the proprietor and to say that tenants were proprieors would be inconsistent with facts. Now-a-days propaganda is being made against the landlords, and the tenants' associations have gone to extreme lengths in promoting class hatred. Had the zamindars done so, they would surely have been prosecuted. That was his meaning when he said in reply to question 13 that the ordinary law in the Indian Penal Code was apparently in abeyance. He was certain that anarchy would follow the abolition of the Permanent Settlement. Terrorism has certainly existed since 1905 but it was a different matter and not connected with the agrarian problem. If 4 millions of middlemen are turned out and left without subsistence, they will join the ranks of the agitators. He agreed that five-sixths of Madras is not permanently settled but said that the structure is different there and the people there have adapted themselves to it. The introduction of that system in Bengal would cause a great upheaval.

Landlords have taken part in all progressive movements and have contributed towards education, dispensaries, etc. They have built and maintained all the big embankments and tanks. The Cossimbazar estate has spent a heavy amount in Frasergunge. It has about 23 miles of circuit embankment and about 29 miles of cross embankments on which a large amount (about Rs. 7,000) is spent annually for maintenance. The estate has no irrigation project before it at the moment. Recently nearly Rs. 40,000 has already been spent on reclamation by tractor of waste lands in Bhagalpur and Monghyr districts. He mentioned that under section 87 of the Bihar Tenancy Act (which is word for word the same as section 87 of the Bengal Tenancy Act), he had given notice to the tenants of all abandoned holdings and obtained formal possession through Court. The tenants had left the villages long ago but when the lands were cleared of jungle and ploughed and cultivated on behalf of the estate, they came back in a body and cut the crops, claiming that they owned the land.

He suggested that the present situation could be improved by trying co-operative cultivation and marketing which would give the tenant better value for his crop. The amended Act allowing free transfer has not benefited the tenants. He did not think that restriction on transfer would decrease the value of land. The value had not decreased when there was restriction on transfer.

The loss in landlords' fees was not a large portion of their income and was not so important as the ultimate good of the tenants.

In North Bengal, the tenants are very well-off. In lower Bengal they are badly off. The condition has deteriorated as a whole mainly owing to Malaria. He mentioned that in Ranaghat, some villages have been completely depopulated and become overgrown with jungle. An attempt was made to cultivate these lands by bringing in tenants from Dacca but it has not been successful. In Burdwan and Nadia some areas have suffered similarly.

He found it difficult to suggest any remedy for small uneconomic holdings. There could be no remedy as long as the laws of inheritance are unchanged. Tenants of such holdings supplement their income by large cultivation. There is barga land for most of them but not for all: consequently there are some landless labourers. The tenants are not employed in cultivation throughout the whole year. He referred to his suggestion for revival of various cottage industries.

In reply to Khan Bahadur Hashem Ali Khan, he agreed that the object of the Permanent Settlement was the safer collection of revenue. Zamindars were certainly collectors of rent, with certain powers and rights which were required for safe collection. Shortly after the Permanent Settlement, the Collector of Midnapore reported that the zamindars were being sold up on a large scale and were being beggared, as the zamindars had not the same power to realise his dues from said that Government officers are in a sense the tenants' representatives. they were given greater powers through Regulation VII of 1799. He said that Government Officers are in a sense the tenants' representatives. If any one had done any good for the tenants in tenancy legislation, it was the Government. Before 1938, transfers had been surreptitiously made by giving sub-leases or mortgages, but such cases are very rare. Before 1929, the landlords used to get 25 per cent. on the sale price of land by custom, and after that they got more than 25 per cent. in the case of part-sales as the splitting up of holdings was not obligatory. He was in favour of cutting down unduly high rents that would give the landlords wider powers for regular realisation. He considered that a rise in prices is a fair ground for enhancement of rent, and similarly fall in prices is a fair ground for reduction. He agreed that section 38 was little used and that proper facilities should be given so that the tenants may apply under that section. He did not agree that enhancements are objectionable because the increment goes entirely to

zamindars and not to the State. He pointed out as an instance that rents for Calcutta houses can be easily increased without Government getting any of the proceeds.

In reply to the Maharajadhiraja Bahadur of Burdwan, he said he had no objection to the imposition of a tax on agricultural incomes provided there was no legal bar. The percentage of land revenue in Baharbund pargana is very small compared with the collection. The incidence of revenue is 3 to 4 annas an acre. In western Bengal, land revenue is higher and as much as 65 per cent. of the assets. A tax on agricultural income will have to be graded and calculated on a different basis for the two areas. He undertook to forward a subsequent memorandum on this point.

He agreed that some corruption exists amongst the khas mahal staff and that it was not true to say that the entire zamindari staff from the Manager downwards is corrupt. If the State bought out the zamindars, the same type of naib and gomastha as now exist, would go to the tenants for collection of rent. He considered that one-tenth of the value of the gross produce would be a fair proportion but agreed that if rent in Burdwan was as high as Rs. 2 per bigha at the Permanent Settlement, the application of the proportion proposed by him would result in decrease in the assets and would nullify enhancements which the zamindars have been able to obtain. He was definitely not in favour of buying out the zamindars and middlemen. Such a course would not stop subinfeudation. It would take away the means of subsistence of the middle classes who have been responsible for much of the country's development.

In reply to Dr. R. K. Mukherji, he said that the Baharbund pargana was permanently settled 10 years before the Permanent Settlement on a lump sum. At that time, it was mostly jungle. The land revenue is about Rs. 84,000. After the Permanent Settlement, the landlords were in such financial difficulties that they were unable to effect any agricultural improvements. The sales that took place after the Permanent Settlement are evidence of the proprietary rights of the zamindars. Had there been no such proprietary interests, there would have been nothing to sell. The proprietary right of the zamindar is distinguished from the rights of the tenant. The proprietor transfers part of his right to the tenant and if a raiyat dies intestate, or a holding is abandoned, his holding goes back to the zamindar. He said that there was nothing in the Regulation to show that the Sovereign power reserved the proprietary right. He did not agree that there will be a saving of 5 crores if the landlords are bought out by the State; nor did

he agree that agriculture is now in a ruinous condition. It is true that many tenants are in debt but this is largely due to their own improvidence. Generally speaking, agriculture is still a profitable business though that is not the case everywhere. The main cause of poverty is improvidence. He suggested co-operative cultivation and co-operative marketing as remedies. By these means better prices would certainly be obtained. He mentioned that the Rajshahi Ganja Society gives advances to the cultivators immediately the crop is bought, to the extent of 70 or 80 per cent. of the estimated value. Later, it sells the crop in the best market and thus the full price goes to the cultivator. Without the Society, the produce would pass through a number of middlemen. He could not give an exact estimate of the increase in price obtained by dealing through the Society but was certain that it was substantial. The Society is very successful financially. The jute co-operative societies failed because the cultivators were not taken in as members. He would have no objection to payment of rent in kind.

Sir Frederic Sachse enquired whether it would be possible for the Cossimbazar estate to collect its rents in kind. He admitted that there would be difficulties in collection and transport and said that the tenants would probably remove surreptitiously a portion of the crop. He thought, however, that the estate would get a higher price. He agreed that the estate would have to sell the produce locally, if possible, or else engage brokers.

He said that consolidation of holdings is a very difficult problem. His suggestion was that a man willing to start a farm on the above principles should be allowed to buy up scattered plots and then apply to the Collector for consolidation. He would allow compensation to the owners of plots whose land was taken in exchange.

In reply to Sir F. A. Sachse, he said that the Cossimbazar estate had not tried settling scattered plots of a khas-purchased holding with the adjacent holdings of other tenants.

In reply to the Chairman, he explained that the figures given in his reply referred to the percentage of revenue paid to Government by permanently settled estates and rent collected by Government in khas mahal estates. He was in favour of altering the laws of inheritance if that was possible, and thought that there is no other alternative to prevent fragmentation. As a suggestion for increasing the revenue, he mentioned the possibility of reviving the salt industry. The manufacture of salt would give employment to a large number of

people and produce a large revenue. At the time of the Permanent Settlement, the excise revenue from salt was collected by the zamindars and at one time it was as much as 73 lakhs.

In reply to Sir F. A. Sachse, he said that a considerable part of the estate's income is derived from coal. At present the annual income is 10 to 12 lakhs but it might be very much greater in time of industrial prosperity.

Extract from D. O. No. 9507 Aj./xxi-22, dated the 17th February 1939, from Rai J. N. Sircar Bahadur, to the Secretary, Land Revenue Commission, Bengal, regarding acquisition of mineral rights along with the State purchase of the zamindaris.

I would like to mention another point which I had overlooked both in my written replies and in the oral evidence. It is regarding the mineyral rights. It is well-known that according to a Despatch of the Secretary of State the mineral rights were recognised to be the property of the zamindar with whom any estate had been permanently settled and, as matter of fact, the zamindars are working these mines either directly or through Managing Agents or lessees. So far as the claim of the raiyats to proprietary rights in lands is concerned, it may be pointed out that the fact that the zamindar is the undisputed proprietor of the underground rights is inconsistent with the claims of the raiyat to the proprietary right. It will be absurd to suggest that there are two sets of proprietors and that the raiyat is the proprietor of the surface and the zamindar is the proprietor of the underground rights.

Apart from this question another very important point is what should be done with the mines if the zamindaris are acquired by Government. If all the rights of the zamindars are to be acquired, then necessarily the underground rights also have to be included in the acquisition. Most of the collieries are being worked and many valuable vested interests have been created. A very big amount will be required to acquire all the interests in the underground minerals.

The Cossimbazar Raj Ward's estate has about 37 collieries one of which is in Bihar and the rest are in the Raneegunge field in Burdwan district. Besides these 37 collieries actually in work there are virgin lands also. The value of the assets of these collieries and virgin lands in the Bengal area is about 8 crores of rupees and the value of the minerals in the entire province will therefore be an enormous amount—may be a hundred crores or so. I shall not be surprised if it comes to double that amount.

Two courses seem to be open. One is to acquire these collieries but in view of the very big amount necessary for the purpose, this may probably be given up as impracticable and secondly to exclude the collieries from acquisition but in that case portions of the surface which are required for working the mines will also have to be excluded. Surface lands are required for quarters for the staff, the labour population, offices, godowns, etc., and also for railway sidings and tram lines. Besides these, each colliery wants a certain area of cultivated land for settling with the resident labour population as an inducement to them to stick to the mine. If these surface lands are acquired along with the zamindaris of which the former form a part, the working of the mines will be impossible. This also does not appear to be a satisfactory solution and, in fact, I do not see any way in which this problem can be solved.

General Note, dated the 27th February 1939, by Rai M. N. Gupta Bahadur, M.A., B.L., B.C.S. (Retd.).

The objects of the Permanent Settlement cannot be indicated merely by a reference to Regulation I of 1793. The numerous other Regulations passed at the time and the contemporary records have to be studied; also the political situation, the history of the preceding half a century and the effects of the famines of 1771, 1784, 1786 and 1787 upon the economic conditions of the people at the time.

2. The constitutional methods of revenue assessment of Akbar and subsequent Emperors, were broken by Nawab Murshid Kuli Khan in 1722 A.D., synchronising with the decline of the Moghul power and the gradual weakening of the control from Delhi over the provincial Governors. Murshid Kuli Khan attempted a new method (called "hastabood" assessment) in some parts of the Subah but generally, he enhanced the assessment on the zamindars by arbitrary additions on the plea of supposed concealed lands. His methods of realisation were harsh, and he alienated also the great body of jagirdars by extensive resumption of their lands. The innovations of Murshid Kuli Khan were, however, short-lived: they were given up by his successor Nawab Shuja-uddin Khan (1728 A. D.). But although quiet was restored, other evils followed from the system of obtaining increase of revenue by impositions of lump abwabs on the zamindars which then came into vogue. These were at first intended to meet temporary exigencies, but once imposed they were not given up, and became permanent. Their effect, apart from the inevitable demoralisation in the administration which accompanied them, was disastrous on the tenantry: for, it was left entirely to the zamindars to make as best as they could of the situation by increasing the rents of the raiyats in the name of these abwabs and otherwise. Then there were the constant raids and looting by the Maharattas which the Government of the time was unable to resist or stop. Other causes also were accelerating the breakdown of the Moghul Empire, and the central authority was unable to render any assistance to the Provincial Subahdar for maintaining order or affording protection to his subjects. The people were exasperated, and security of life and property was gone. Bengal had thus been in a state of semi-anarchy for over quarter of a century when the Nawab's Government came in open clash with the English East India Company.

Hastabood method of Murshid Kuli Khan (1722-25-A.D.).

Abwabs by subsequent Subahdars (1728-62).

Their effect on the Administration.

3. It was on this background that the Company, at first mere trading concern, obtained the Dewani of Subah Bengal in 1765

A. D., and were called upon to administer the revenues of the province. Immediately before this, Cossim Ali who was made Nawab in 1762, had enhanced the previous highest Moghul assessment of Rs. 187 lakhs, inclusive of jagirs and sayer—to as much as Rs. 247 lakhs exclusive of Rs. 9 lakhs of sayer. It was a paper assessment which was never realised: and during the first 5 years after the Dewani when the old system was continued, the assessment averaged only about 219 lakhs, while actual collections were below 2 crores.

Cossim Ali's paper assessment of 1762 A.D.

4. Then followed the unfortunate quinquennial settlement by auction with the highest bidder, in which many zamindars in their anxiety to retain their ancestral estates, made impossible bids which they could never pay. In its tail came the terrible famine and pestilence of 1770-71 which perpetrated ravages throughout the country and turned a vast tract out of cultivation. In a few years the zamindars had gone into a debt of over 3 million sterling to meet the Government demand. The Company however persisted in their strenuous efforts to realise the stipulated revenue and this had its repercussions in exactions from the tenantry. There was a wide-spread discontent, and an outcry. Powerful voices were then raised in England, and the Parliament issued mandates on the Directors of the Company to take immediate measures to redress the grievances of all concerned, and to establish "upon principles of moderation and justice according to the laws and constitution of India, permanent rules by which their respective tributes, rents and services shall be in future rendered and paid." It was not too early: for so weakened had the people become that their miseries were extremely severe when there were again famines in 1784, 1786 and 1787, the last causing particular havoc in the eastern Bengal districts. The Company, however, still insisted on having at least two and half crores and its officers were much deluded by intriguing hearsays that the people were all a bad lot and that there were still much hidden resources. The true condition of the country may best be explained in Lord Cornwallis's own words that over one-third of the population had been swept away and a third of the cultivable lands reduced to waste and jungle infested by wild beasts.

Quinquennial settlement by auction (1769-70). Famine of 1770-71.

Pitt's Regulating Act of 1784-24 Geo. III, Chap. XXV, section 39.

Famines of 1784, 1786 and 1787.

Effects of the famines during 1770 to 1787.

5. The political atmosphere at the time was also far from being clear. In India the English had got themselves involved in the family feuds of the Peshwa, and after a defeat in 1778, were just having a footing by the Treaty of Salbaye in 1782. Similar struggles were going on in Berar and the Doab area, and although Benares had been obtained in 1775, it was not free from troubles yet. At home, although open war with France had not yet been declared, heavy clouds were gathering in the political

horizon of Europe. The English had to yield in the United States of America in 1783, and this was followed by quarrels with France for the division of Canada. The possible repercussion of these in India, could not be overlooked by any prudent statesman. (Lord Cornwallis's Minute of 3rd February 1790).

Political conditions at the time.

6. But apart from political considerations, what—(after a long period of misrule, frequent devastations by the Maharatta freebooters, vacillating experiments by the English Company and the widespread ravages of the several famines),—Bengal needed most at the time was speedy establishment of a stable system and peace and order, as would enable the people to recover and gain confidence in the new rulers. This was the uppermost thought in Lord Cornwallis's mind, and in his various Minutes he often expressed it in passionate terms. The only way in which this could be achieved was by rapid extension of cultivation over the vast areas of waste and jungle lands: and to him no amount of inducement to the landholding classes, to promote this object, was too much. If eventually at some future date there was a loss of the revenue from land, it would be amply compensated, he thought, by increased prosperity of the people, and from the development of trade and commerce which would naturally flow from such prosperity.

Country needed peace and a stable form of administration in which they would have confidence.

7. But his dilemma was in securing an immediate land revenue of anything near Rs. 260 lakhs which the Directors of the Company wanted. Shore could not justify such an assessment without surrendering the tenantry to oppression and exactions: and Lord Cornwallis was deeply solicitious that nothing was done which might tend to increase the burden of rent on the existing tenants. It is a mistake to think that Lord Cornwallis neglected the tenantry: but there are ample records to show that he was most anxious to see that the tenantry were well-protected. Certain Regulations were made at the time, but he emphasised that if these proved insufficient, other and more comprehensive measures should be adopted. It is an unfortunate part of the later history that this spirit of his measures was forgotten after he left India: and it is still more unfortunate that when he was recalled later, he had to attend to other business outside Bengal and died before he was in India for six months.

Difficulty of securing a revenue near Rs. 260 lakhs which the Directors wanted.

8. But what were the rental assets of the zamindars at the time? And what was the capacity of the tenantry to pay in the deplorable conditions to which the country had been reduced then? Grant (Analysis of 27th April 1786) had an exaggerated idea of the capacity of the raiyats for rent, and his inflated estimates were not accepted either by Shore (Minute of 18th June 1789) or by Lord Cornwallis. Grant started by reference to

Rental assets at the time of the Decennial Settlement.

a vague statement by Holwell 20 years earlier, that the gross rental of the Subah was about 11 crores of rupees. However, he rejected this estimate as going "beyond reality", and observing that Holwell had no details. Grant, even with his tendency to exaggeration, estimates no more than 18,000 square miles (out of 90,000 of the entire Subah) or 115 lakhs of acres, as the "proportion, alone in cultivation, liable to the rents of the territorial proprietary government (he was always asserting the State as the proprietor) at the established rate of the *rubba* or one-fourth" (*sic*: Akbar's rate was one-third). He then adopted a rate of as much as Rs. 1-8 per bigha or Rs. 3-4 per acre (1396 bighas as he stated being enquivalent to one sq. mile or 640 acres, giving 2·18 bighas of the time for an acre) as the average rent. It apparently was an absurd rate, for even to-day after 160 years, the average is not more than Rs. 3. It is curious, for Grant himself stated that the average rent was no more than Re. 1 per bigha of the time (i.e. Rs. 2 per acre), except in parts of 24-Parganas near Calcutta where it was Rs. 1-8. The estimate of 18,000 sq. miles was subsequently verified by Lord Cornwallis (*see* Ascoli, "Early Revenue History of Bengal", page 51; Mr. Ascoli made a mistake by taking a bigha as the present standard bigha of one-third of an acre): and taking at Rs. 2 an acre, the total rental could not by any stretch, be more than Rs. 230 lakhs. This stands to reason in another way also. The price of rice at the time was about 8 annas per maund (*see* Ascoli, page 51): and assuming that 13 maunds were the average outturn (Akbar's estimate was 12 maunds 38½ seers: see Ain-i-Akbari, Gladwyn, page 246), the value of gross produce per acre could not be more than Rs. 6-8. One-third of this was thus Rs. 2-3 and one-fourth Re. 1-10 per acre. Taking it yet in another way—the highest Moghul assessment (including the jagir lands) prior to Cossim Ali's paper-assessment of 1763, was (Alivardi Khan's time, 1756-A. D.) Rs. 185 lakhs. Even Grant estimated that this did not leave more than 8½ per cent. to the landlords for cost of collection (including nankar, mazcoorat, etc.), and profit. Adding even ten per cent., the total raiyati rental thus would work out to about Rs. 195 lakhs or say 200 lakhs only. Turning to Cossim Ali's paper-assessment of Rs. 247 lakhs (excluding Rs. 9 lakhs of sayer), the total raiyati rental could not have been then (1763 A. D.) more than Rs. 272 lakhs. But then there were the devastations by the famines during 1770 to 1787, which swept away over one-third of the agricultural population, and reduced also a third of the cultivable area into waste and jungle infested only by wild beasts. If even one-fourth was deducted for this from Cossim Ali's assumed rental, the total rental capacity of the raiyats from the lands in their the then conditions could not be more than Rs. 204 lakhs.

9. But giving the greatest latitude to figures, if about 15 lakhs of acres in 24-Parganas and the ceded districts were taken at Rs. 3 per acre and the remaining 100 lakhs of acres at Rs. 2 per acre the gross raiyati rental could, at the time of the Decennial Settlement, be only Rs. 245 lakhs. And yet the assessment fixed on the zamindars was for Rs. 2,68,00,989 (*see* Fifth Report)— and this too was exclusive of all lakheraj lands, valid or invalid, comprised within the limits of the various estates.

Gross rental of raiyats could not have been more than Rs. 247 lakhs.

10. It is a mistake to think that in the districts of Bengal, the assessment of the Permanent Settlement was made on the basis of "assets" or the existing rent roll of the zamindars. The unfortunate assessment by the auction system in 1769 was pursued during the period 1775 to 1787, and whatever the collections they were attended with the greatest hardship, which are notorious facts of history. The assessment of the Bengal districts was based on the assumed jamma of the preceding year (Bengal Special Orders, section 68 of Regulation VIII of 1793), except in the case of the small separated taluks, and certain parts of the districts of 24-Parganas, Midnapore, Burdwan and Chittagong, which had been ceded to the Company in 1760 A.D. (*vide* section 75), where an allowance of one-eleventh was provided[1].

Permanent Settlement of the Bengal districts not based on the rental assets of the time.

11. To secure a revenue near Rs. 260 lakhs in the conditions in which Lord Cornwallis made his Settlement, the only offer he could make to the zamindars was to place the extensive areas of untenanted waste and jungle lands at their disposal, with promise that the profits to be derived from them would be entirely to their benefit, and that at no time in future would the Government claim any share of these profits. For some time the assessment would tell heavily on the zamindars, and perhaps many of them would lose their estates; but there was, he felt, ample future prospect, which an efficient zamindar could explore: and if for his failure his property passed into the hands of the more industrious, the better it was for the country and the community as well as for the State.

Prospective assets from extensions of cultivation could only justify the assessment.

[1] Referring to the supposed assessment in parts of the ceded districts with an allowance of one-eleventh to the zamindar, it is interesting to note what Mr. H. Strachey, Judge-Magistrate, Midnapore, wrote in January 1802. Referring to axactions by the zamindars, he wrote—"They (the zamindars) cannot spare their raiyats, for Government never spares them." Yet many of the zamindars lived in "wretched huts generally worse than the stable of an European gentleman". Other ways for them to pay the Government demand was to rob and plunder, but as under "the operation of the Regulations they soon found themselves unable to rob and plunder, as before, in consequence most of them fell heavily in arrears and lost the whole or great part of their estates, and many more were hastening to ruin". (Firminger, Vol. II, Pages 596, 599, 600.)

Risks thrown on the zamindars.

12. The future was unknown: but all the risks of exploring the prospects were thrown on the zamindars. Lord Cornwallis fully realised the immediate hardships of the zamindars: but thought that these hardships would serve to give the more an "excitement" to them out of "motives of self-interest", to exert themselves to speedy settlement of the untenanted lands, particularly when definite promise was held out that the benefit of improved rental would entirely enure to them. It was, he wrote to the Directors, the expectation of bringing the extensive waste and jungle lands into cultivation and reaping the profits of them that had induced many of the zamindars to agree to the Decennial jamma assessed upon their lands (letter, dated 6th March 1793). If in this way at any future time, a greater share of the rental went to the zamindars and talukdars than they had been accustomed to, he would only welcome it. It would in the first place give a real value to landed property which in itself would then be a firm security for the Government revenue (then so badly wanting), and at the same time contribute directly to accumulation of wealth in individuals and thus to general prosperity. In this he was quite in line with the general view of social economists at that time (more forcefully later with the industrial revolution in England at an early period of the 19th century) that the prosperity of a people should be sought for more in the growth of wealth in individuals than in augmentation of the revenues of the State from such direct sources as land. It was particularly so in the conditions of Bengal where land was the main source of the wealth of the people.

But if advantges properly availed of, all landed interests whould attain property value in course of time and, afford good security for the Government-revenue.

State-revenue *vs.* Individual wealth.

13. The assessment of the Decennial Settlement (1790-91) which was eventually made permanent in 1793, was fixed at Rs. 268 lakhs, exclusive of sayer (separately reserved by the Government) and even of the invalid lakheraj lands within the zamindaris. Over 60 lakhs of the assessment was thus entirely on prospective basis. It was a perfect business proposition for a trading company, when the future, political or otherwise, was still so much in the hands of the God. Sure of a revenue of Rs. 268 lakhs and armed with the power of bringing an estate forthwith to sale when the revenue was not paid punctually (and even to keep the zamindars under confinement—section 4 of Regulation XIV of 1793, a provision which however, was repealed by Regulation III of 1794), they found large sums of money for application to the development of their own trade for meeting deficits in other parts of their possessions in India, prosecuting territorial campaigns, and even assisting outside as far as St. Helena and the wars in Europe (*see* Dr. P. N. Banerjea's

Permanent Settlement of Rs. 288 lakhs, was Rs. 60 lakhs or over in advance.

"Indian Finance in the Days of the Company," Macmillan, London, 1928)[1].

Immediate effect:— Revenue-sales of numerous estates.

14. While this happened estate after estate was knocked down in revenue-sales. How pitiable the condition was, is evidenced by the fact that for many years, these sales did not fetch even the arrear revenue, and in many cases there were no bids. By 1815, wrote Mr. A. D. Campbell, "one-third or rather one-half" of the zamindaris in Bengal passed out of the hands of the older families. It was as useless to try to explain it as due to incompetency or profligacy of the zamindars, as it was to justify later the more rigorous measures for realisation of rent from the tenantry (Regulation VII of 1799) describing the latter, who were a few years before obedient and submissive, as "entering into combinations," intriguing and of worse vices (Rev. letter of 31st October 1799, referred to in the Fifth Report). The fact was that the revenue assessed was too excessive. The proper adjustment of the value of the species was also retarded by the trade policy of the Company. The new purchasers of the zamindaris, presumably more venturesome and industrious as Lord Cornwallis had expected, laid their money and their energies in the confidence of reaping the fruits of increased assets in course of time, as held out in the proclamation of the Permanent Settlement.

About 30 per cent. margin attained after 50 years.

15. Mr. Ascoli, studying the History of Dacca where he was Settlement Officer, mentions an investigation made by Government in 1802. It showed that in that district in ten years which had followed the Permanent Settlement, the increase by extension of cultivation was only about 6¼ per cent. Mr. Strachey writing for Midnapore in 1802, doubted whether the population had reached what it was before the famine of 1770, although "every body marries and an unmarried man of 25 or an unmarried girl of 15 is hardly to be found." Mr. H. Colebrooke, writing in 1813, estimated that the zamindars were getting a margin equivalent to about half the amount they were paying as land revenue: but he was including or rather particularly referring to Bihar districts where produce rent prevailed, and the zamindari income automatically increased with rise in the prices of the produce. Mr. R. D. Mangles writing in 1848 estimated that "for every 100 rupees that the zamindar in the permanently settled

[1]Over 12 million sterling out of the revenues of Bengal were utilised for the Company's trade during 1766 to 1780. A new plan was devised by Hastings in 1782, and it was revised in 1793. Lord Wellesley's complaint in 1800 that the demand of the Court of Directors for investment far exceeded the resources of the country, was unheeded. During 1811 to 1814 the supplies from India exceeded the Company's investment to the extent of nearly ten million sterling: Wilson, History of India, Bk. I., Ch. VII, p. 349. The same historian further observes, that the treasuries of India furnished a considerable contribution to the European war in which England was then involved.

estates pay to Government, they get 200 rupees from their estates." Here also the produce rents of Bihar districts was mixed up: while in Bengal proper the rents were in money and fixed for the older raiyats,—and for others limited to the established pargana rate. It will probably be reasonable to take that the zamindars of Bengal districts did not get a margin of 30 per cent. to cover cost of collection and profit till about 50 years after the Permanent Settlement.

Tenants not neglected by the authors of the Permanent Settlement.

16. As has already been observed, it is a mistake to think that the authors of the Permanent Settlement neglected the tenantry. They, as constituting the Government, took upon themselves the representation on behalf of the tenantry and not only laid down definite rules of law for their benefit (*see* para. 18 post), but also reserved powers to make further laws and take further measures as the Government might think proper later on. In the bargain made at the time, as between the zamindar and the tenant, the latter came off much better. All that he lost was in a different way, viz., ruin of his subsidiary occupation (cottage and other industries) to foreign competition: but this was no part of the arrangement with the zamindars.

Condition of the raiyats before the Dewani.

17. What was the condition of the raiyats prior to the advent of the English? Shore in his Minute of 18th June 1789, gives a fairly clear description of their position. The paikasht raiyat was absolutely a tenant-at-will: and as regards the khudkasht raiyats, they were not usually disturbed, not so much by reason of any recognition of rights in them which would be protected by the State, as by the reason of mere sufferance: for, in the conditions of the time the landlord could not afford to lose a tenant so long as he paid the rent. A prescriptive right of occupancy might at the most, be presumed for them. They could not change the species of crop without the permission of the landlord, and when he grew a more valuable species, he was liable to pay a higher rent. According to the Moghul plan, the raiyat's rent varied not only according to the class of soil but also according to the kind of crop grown (*see* Ain-i-Akbari): and if there were defined rates at any time (*see* para. 21 post) they varied in wonderful mazes. The additions of abwabs after abwabs during the previous 40 or 50 years had added their miseries to the pitch. They had no right to transfer, and in fact with rent as much as one-third or more, there was little left of a margin which could give a market value to their interest. They could not even relinquish, and if any of them found it impossible to bear the rent demanded by a landlord, his relief was in abandoning the village or repairing to another zamindari, which however, it was easy enough. Any question of a right to make a brick-field or

build a masonry structure was not thought of. The only right contemplated in the system was cultivation of the surface and paying a varying rent according to the kind of crop grown[1].

In the matter of payment of rent, with the extensive powers (including Police) which the zamindars wielded, the tenants were almost helpless. The normal method was seizure of crops or other goods of the tenant without recourse to any State-authority, or confinement and physical coercion (*see* reference in Preamble to Regulation XVII of 1793).

18. Now, by the terms of the Permanent Settlement, the rents of the existing khudkasht raiyats (later called khudkasht kadeemee) were to remain unaltered except on grounds of fraud or collusion or adjustment by measurement of area [section 60(2) of Regulation VIII of 1793]: and the rents of the new raiyats, could first be fixed for no more than 10 years (section 2 of Regulation XLIV of 1793), but for subsequent rents there was also a limit to increase, viz., the established pargana rate (section 7 of Regulation IV of 1794). In both cases the money-rents (as paid in the Bengal districts) of the raiyats, were to be fixed in specific sums for certain quantities of land with liberty "to cultivate whatever species of produce may appear to them likely to yield the largest profit" (section 56)[2].

Raiyats under the Permanent Settlement.

In the matter of realisation of rent from the tenants, though still harsh when judged on modern standard. Regulation XVII of 1793 retained the old practice of seizing and selling the crops or other moveables of the tenants, but provided rules regulating the sale of the articles seized, and stopped confinement and physical coercion. Kists according to season were fixed, and penalties were laid down for exaction of new abwabs or failure to grant rent receipts (sections 4, 3 and 54 of Regulation VIII of 1793). Patwaris keeping accounts were also made liable to produce these before the Collector, and if found to have kept false accounts they were liable to prosecution for perjury (section 2 of Regulation VIII of 1793).

19. The terms of the Regulations of the Permanent Settlement, thus contemplated a very substantial improvement in the position of the raiyats, and gave a fairly precise definition of the rights, both as regards tenure and rent, which they were to enjoy,

(I) Dropping of the patta plan and failure to devise a substitute method.

[1]There is no reference to rights about trees: but it is interesting to note that according to the Hindu Code as indicated in Manu,—though it is doubtful whether this ever applied to Bangadesh,—the husbandman was liable (besides one-sixth to one-twelvth of the crops), to pay also a "sixth part of the clear annual increase in trees, * * * * flowers, roots and fruits: and of gathered leaves, pot-herbs, grass * *" Ch. VII, 131-32.

[2]The reference in this section to variation according to the kind of crop grown, applied mainly to Bihar districts where rent was paid by division or appraisement of crop.

and which the State undertook to protect. It is unfortunate that these intentions were to a certain extent impaired by the acts and omissions of later Governments. When Lord Cornwallis's patta plan failed (because the old raiyats would not take a patta and because it was futile to pursue the elusive pargana rates where none existed), they let the plan die a natural death. As early as 1815, the Court of Directors drew the pointed attention of the authorities in Bengal, to the necessity of having written records of the rents and lands of the tenants: but nothing eventually was done. The plan of patwaris liable to keep correct accounts and to submit them for the Collector's inspection, was also gradually dropped.

(II) Dropping of the Patwari plan.

20. When read with the other Regulations, it is difficult to reconcile the cancellation rule in section 5 of Regulation XLIV of 1793. The provisions in this section show an extreme nervousness on the part of the authorities as to whether it was safe to fix in all circumstances, the rents of the old khudkasht raiyats as permanently as the land revenue assessed on the zamindar, or to let the new raiyats continue to hold on the rent engaged for previously, when there was such a revenue-sale. Conscious as they were of the high pitch at which this revenue had been assessed, and of the inability of the lands in their the then conditions to bear it, they were naturally anxious that some scope should be left for adjustment when an estate was sold for arrears of revenue, so that the Government revenue might be safe. The section laid down that in the event of such sale of an estate, all engagements including those with "raiyats for the cultivation of land",—"shall stand cancelled from the day of sale". It was left to the option of the purchaser to let the existing tenants continue to hold their lands: and only when he did so, a limit of not more than the "established rates of the pargana" could be realised from the raiyat. The provision must have operated harshly on good many tenants both old and new, when it is remembered that by the year 1815 half the zamindaris of Bengal were knocked down at revenue-sales: and this probably affords one reason why the proportion to-day, of raiyats at fixed rent bulk of whom would only be the old khudkasht raiyats of the Permanent Settlement, is not as much as would otherwise be expected. (For other reasons *see* para. 39 post.) But, as the Preamble to the Regulation shows, the object here was not that the zamindar should have this power for his own benefit under the terms of the Permanent Settlement, but that it was necessary to safeguard the Company's revenues: and when with the improved conditions, in course of time, this safeguard was no longer required, the vigour of Regulation XLIV was relaxed by Regulation XI of 1822. Under section 32 of this later Regulation the khudkasht raiyati holdings of the

Cancellation Rule in section 5 of Regulation XLIV of 1793 in the event of Revenue sales.

Old Khudkasht Raiyats protected by Regulation XI of 1822.

time of the Permanent Settlement (called the khudkasht kadeemee), were not to stand cancelled, but their rents were only liable to enhancement up to the "old established rates"—meaning the rates at the time of the Permanent Settlement. No such protection was, however, afforded to the raiyats created after the Permanent Settlement, till Acts X and XI of 1859. They were however, not affected[1] in the matter of their rent. when they were not evicted: for, under section 7 of Regulation IV of 1794 as well as section 5 of Regulation XLIV of 1793, their rent could be only up to the "established pargana rates", i.e., as at the time of the controversy, as opposed to "old pargana rates" for the khudkasht kadeemee raiyats.

21. But the supposed "pargana rates" whether "old" or "new" (established at the moment) were a mirage which deluded the authorities for many years. Akbar's model plan as narrated by Abul Fazl does not mention any pargana rates in money. Assuming that such rates were known or had developed during the best period of Moghul rule, they must have been greatly confused by the arbitrary methods adopted by Murshed Kuli Khan in 1722 A. D.: and then greater confusion resulted when abwabs after abwabs were imposed in irregular proportion and went on being consolidated with rent by stages, during the next 40 years. How various they were is illustrated by the several examples given by Grant in his Analysis of 27th April 1786[2].

Pargana rate a delusion in Bengal districts.

Lastly the consolidation of all these impositions in "specific sums" for the rent, as enjoined in the Permanent Settlement Regulations, obliterated any vestiges of what might have been pergana rates at any time. Any rate which developed from such consolidated rent, could thus be only the arithmetical[3] quotient of dividing the total rent by the total area: and it was perhaps no more than this that was meant by the term "nirkhbandi", a

[1]Raiyats at "rents assessable by fixed rules under the Regulations in force" were protected by Act XII of 1841. This is one of the many obscure expressions in the old laws: but it apparently meant that the rents of these raiyats were to be no more than the established pargana rate at the time being, as by sec. 7 of Regulation IV of 1794.

[2]Shore rightly doubted whether Akbar's plan of assessment as narrated in Ain-i-Akbari, was at all applied in the Bengal districts, and whether an operation which involved measuring every field, determining its class, the kind of crop it yielded and the value, could at all be done by Todar Mal during the short period of his stay. In fact Abul Fazl does not give any figure of areas for Subah Bengal while such figures are given for the Subahs round Delhi. It is probable, however, that in Bengal districts where rent was paid in money from the earliest known time, certain rates per bigha or plough-land were generally known. *See* Mukundaram's account (1577 A. D.) given in para. 36 *post*, footnote.

[3]The intricacies of pargana rates where they were supposed to give the "asal rates", are illustrated by the following statement for a village, given by the Collector of Bhagalpur, on 11th August 1790. For dofasali there were 22 sorts of land with rates varying from 8 annas to Rs. 5-8 per bigha: for ekfasli 5 sorts with rates from 8 annas to Re. 1-2.

new term used in section 60(2) of Regulation VIII of 1793: and no more than this could be meant by "old established rates" for khudkasht kadeemee raiyats in section 32 of Regulation XI of 1822. As for new raiyats created after the Permanent Settlement (section 7 of Regulation IV of 1794) or allowed to hold on after cancellation (section 5 of Regulation XLIV of 1793), where the rent was liable to enhancement, the term "established pargana rate" gave no better meaning than the rate obtained by similar division of the lump rents received from the bulk of the raiyats in a village, by the areas held by them.

Established rate involved competition or speculative rates.

22. This obscurity in the meaning of the expression "established pargana rate", raised controversies in enhancement cases before courts. It might be taken as recognition of whatever the level to which any particular landlord might have been able to raise the rents of the bulk of his tenants, whether as a result of competition, speculation or coercion. But it was not till 1859 that the possibility of mischief from this obscurity was removed by laying down a limit, viz., what could be justified by rise in prices (section 17, Act X of 1859). The incidence of the initial rent, however low (it might have been so far a valuable consideration or for the exigencies of the time for which the landlord might have found it necessary to attract a cultivator with low rent), could not be attacked, and only such increase on that incidence as might be justified by rise in prices could be obtained.[1]

Limit put by the rule of rise in prices in Act X of 1859.

The theory of rise in prices.

23. The theory of "rise in prices" was not, however, altogether an unknown idea. It got automatically applied in practice when the rent was realised by division or appraisement of the produce actually grown in a year, as was the practice in the Bihar districts. The conversion of the quantity to money then followed the current prices. "From the commencement of the immortal reign" (of Emperor Akbar's) wrote Abul Fazl, "persons of integrity and experience have been annually employed in preparing the current prices for his Majesty's information, and by which the rates of collection were determined." The annual variations which necessarily followed from this method was moderated by Akbar who directed later that the average of preceding 10 years' prices should be taken. The settlement of Subah Bengal attributed to Todar Mal (1582 A. D.) was not altered till the time of Shuja Khan in 1658 A. D. i.e., till 76 years afterwards when the zamindari assessment (excluding jagirs) of Rs. 63·4 lakhs was

How far implied on the Moghul system.

[1]See the exposition of the view in Iswar Chandra Ghosh *vs.* Hills, W. R. Sp. No. F. B. 148, also repeated by Chief Justice Sir Barnes Peacock in the Great Rent Case Thakooranee Dasee *vs.* Bisweswar Mukherji, 3 W. R. Act X Rulings, 29: also the history of the law prior to 1859 per Trevor, J. in the latter case.

enhanced by Rs. 9·9 lakhs or 15·6 per cent. There was an additional assessment of Rs. 14·4 lakhs for new territories acquired by conquest or otherwise. The increase of Rs. 9·9 lakhs for the old territories was due mainly to adjustment of the "rupee" to the rise in prices, though to some extent it might have been due also to increased cultivation. Whatever be the "pargana rates", a proportionate increase was thus automatically recognised.[1]

Later when the irregular increases and imposts of abwabs during the 40 or 50 years preceding the Dewani were allowed to be consolidated with the rents of the raiyats, the Company's authorities justified this on the ground of rise in prices during the period. The element of rise in [2]prices must always be present when a "pargana rate" expressed in money, is adjusted with reference to any theory of rent being a proportion of the produce. Rise in prices or the money value, at the moment, of the produce, will work in the minds of the parties when the rent of a new tenancy or an enhancement is agreed to,—call it competition, speculation or by any other term. Assuming that the money-rent of a cultivator was enhancible from time to time, from whatever angle the matter is viewed, rise in prices undoubtedly gives the most equitable basis for measuring the enhancement. Judged from the point of view of the economics of the cultivating class as a community,—it is a healthy check against artificial increase by competition or speculative rates which some people might be inclined to agree to. The Act of 1859 (and later the Act of 1885 amplified by the amending Act of 1898) retained a trait of the earlier "established pargana rate", when it changed the expression to prevailing rate": but for the Bengal districts, where rent, as will have appeared from the above account, had almost universally developed into lump rentals (i.e., "specific sums" for specific total quantities of the lands irrespective of

And applied at the Decennial Settlement.

Latest in "Pargana rate" or established "Pargana rate."

Changed expression "Prevailing rate"—in 1859.

"Prevailing rate" not applicable in Bengal districts.

[1]As observed by Shore, Akbar's plan so far applied to Bengal, did nothing more than fix the amount to be paid for each mahal (pargana or taraf), estimating it at one-third of the supposed annual produce. The assessment of the rents on the tenants (whether cultivators or intermediate talukdars) was left to the parties concerned. It is interesting to note that Aumils and Aumilguzzars for the collection of revenue in the Subahs round about Delhi, never existed in the distant and late-conquered province of Bengal—(though some of the zemindars of Bengal allied with and helped the Moghuls, there were others who stubbornly resisted them, and the Moghul conquest of Bengal was not complete till 1611 A.D. or perhaps 1636). The divisions of land as Poolej, Perowty, Checher or Bunjer described in Ain-i- Akbari has never been known in Bengal districts: nor the extra levy of "ten seers of grain for every bigha of land" for provision of cattle.

[2]The Subahdari abwabs—and following them the abwabs on the tenants—were, however, not imposed with a conscious idea of adjusting rise in prices: they were for meeting exigencies and intended at first to be only temporary, though eventually perpetuated. The increase on the tenants varied widely, but generally they were about or over cent. per cent. of the previous rent; and it is impossible to believe that the prices during this disturbed period of the Moghul rule could rise cent. per cent.

their classes or of the kinds of crop grown) the rule of "prevailing rate" has been rarely, if ever at all, applied. It might have been applicable in some Bihar districts: but in Bengal proper,—in enhancement suits after 1859, and in the rent-settlement proceedings following the completion of cadastral survey and record-of-rights since 1908, the rule of "rise in prices" has really been the only method which was applied.

Lump rental in Bengal and its resultant inequalities in the incidence.

24. One result of this development of "lump rental" in Bengal has been that there are wide inequalities in the "rates per bigha" of the raiyat's rent in the different districts, and sometimes in the same district or localities within a district. Measured with reference to the capacity of the land, inequalities in the incidence have also arisen from the changed condition of the soil, and from production of special crops such as jute, potato, sugarcane, tobacco, etc. But judged as "rates per bigha" irrespective of those restrictions in the kind of soil or crop, it is doubtful whether inequalities are really great in the areas of the same landlord in a village, or even of different landlords in the same village. The inequalities are however great from district to district. The following summary of the average incidence per acre of the rents of ordinary (i.e., not mokarari) raiyats in some of the districts is illustrative:—

	Rs.	As.	P.
24-Parganas ...	5	15	6
Midnapore ...	4	0	0
Bankura ...	1	12	7
Nadia ...	2	11	3
Jessore ...	2	8	0
Khulna ...	3	6	10
Faridpore ...	2	10	0
Rajshahi ...	3	3	0
Pabna ...	3	2	10
Bogra ...	2	14	6
Dacca ...	2	15	0
Mymensingh ...	2	12	0
Tippera ...	3	2	6
Noakhali ...	4	2	2

How far these incidences are telling heavily or otherwise on a raiyat in a particular district, can ony be judged from the estimate of average produce he derives from the land. But taking all the above districts together, the average incidence of rent is about Rs. 3-3-6 per acre: and as the rents of the temporarily settled estates and Government khas mahals which are generally higher are included the average incidence in the permanently

settled areas would be somewhat less: probably about Rs. 3. If the old ceded districts of 24-Parganas and Midnapur (where the rents were levelled up during the special management which followed the cession in 1760 A. D.) and the district of Noakhali (adjoining Chittagong) be excluded, the average would be only Rs. 2-13: and in the permanently settled portion of these districts, probably not more than Rs. 2-10.

The incidence of rent of mokarari raiyats (raiyats at fixed rent) is considerably lower. Excluding the districts of 24-Parganas, Midnapur and Noakhali, the average of the remaining 11 districts mentioned above is about Rs. 2-1-9 per acre.

25. From the above accounts, it cannot certainly be said that the zamindars have used to any great extent the advantages they had in cancelling raiyati engagements on revenue-sales, or of enhancing the rents on the ground of established pargana rates or rise in prices. If the average incidence of the rent of the raiyats in the 11 districts mentioned above was Rs. 2 per acre at the time of the Permanent Settlement, the rents of the raiyats subsequently created (including those who by the operation of the effects of the revenue sale laws, or otherwise, have suffered enhancement)—do not give to-day, after 160 years, more than Rs. 2-10 or about one-third, while the prices of produce have risen over six times. The Commission's estimate of the average rent in the permanently settled estates of the province, is Rs. 3 per acre (Statement IX), and the estimate of the average value of produce is Rs. 44-5 (Statement II). The last figure is based on the actual net cropped area: but as raiyats sometimes hold lands which are not cropped and to be on the liberal side for them, I would deduct 10 per cent., i.e., take Rs. 40 as the average receipt of a raiyat from an acre of land held by him. His average rent of Rs. 3 thus represents still only about one-thirteenth part of the produce. For the raiyats holding at fixed rates, the average rent (excluding the old ceded districts) is only Rs. 2-2 per acre, or about one-eighteenth part of the produce. Including the ceded districts it is one-sixteenth part.

The distribution of the value of the produce between the landlords of all grades together and the raiyat, may be exhibited thus:—

	For ordinary raiyats.	For raiyats at fixed rate.
	Rs. a.	Rs. a.
Raiyat ..	.. 37 0	37 14
Landlords of all grades	.. 3 0	2 2
	(less the Govt. Revenue)	(less the Govt. Revenue)
Total	40 0	40 0

To compare the distribution of the net income, the cost of production has to be deducted from the total given above. The cost varies for various reasons, but taking one-third in the average (exclusive of the raiyat's own labour) the net total value may be taken at Rs. 27. Similarly 15 per cent. may be deducted for the landlords, as the cost of collection and bad dues. The distribution would be:—

	For ordinary raiyats.	For raiyats at fixed rate.
	Rs. a.	Rs. a.
Raiyat	24 0	24 14
Landlords of all grades ..	2 9 (less the Government Revenue).	1 13 (less the Government Revenue).

Cause of economic distress not in rent.

26. Judged on any standard, a proportion of one-thirteenth must be said to be extremely low. It will therefore, be wrong to seek for the cause of the economic distress of the peasantry in "rent." It is very considerably lower in relation to the value of the produce, when compared with raiyatwari areas or temporarily settled areas in this or any other province. It is about one-ninth in the temporarily settled estates of Bengal and about one-eighth in the khas mahals (Commission's Statement IX): while in the raiyatwari areas of Madras, I believe, it is worked out for a standard of one-fourth of the average of a series of non-famine years: and in the temporarily settled mahals of other provinces more or less towards that standard (*see* the Government of India's Land Revenue Policy, 1902). Mr. R. C. Dutt in his open letters to Lord Curzon emphasised this position, and explained that, inspite of the economic strain (for which other causes should be sought for), the peasantry of Bengal had exhibited a much greater staying power during famines or scarcity than the peasantry of other provinces. It can never be so easy for a private landlord, whatever the legal advantages, to obtain enhancement from the tenantry as it is in revisional operations by Revenue Officers in a temporarily settled estate or a khas mahal. It is thus impossible to say that the zamindars and subordinate landlords of Bengal have not, in the assessment of rents on their raiyats, treated them with "good faith and moderation," as was expected of them by the authors of the Permanent Settlement.

27. The real causes of the economic distress of the peasantry of Bengal and the remedy, must be sought for elsewhere. In the 14 districts mentioned before, there are over one lakh of "raiyats" who hold about one lakh of acres of land altogether "rent free".

Are their economic conditions in any way the better? Two Revenue Officers of great experience have in recent years made particular study of the causes, and every Settlement Officer in his Final Report has dwelt more or less on the problem. Of the two Revenue Officers who made a special study one was late Major J. C. Jack and the other is Mr. W. H. Thompson. Mr. Thompson, had (besides having, as Settlement Officer of two districts, intimate direct knowledge of village conditions) the additional advantage as Superintendent of the Census of 1921. According to the Agricultural Statistics of 1919-20, there were then about 24½ million acres of land under cultivation in Bengal, and according to the Census of 1921, the total number of actual agricultural workers (ordinary cultivators, farm servants, field labourers and growers of special products) was over 11 millions. This meant an average of only 2·2 acres per worker, and Mr. Thompson observes—"it is in such figures as these that the explanation of the poverty of the cultivator lies. The cultivator works fairly hard for a few days when he ploughs his land and puts down his crops, and again when he harvests them, but for the most of the year he has little or nothing to do".[1]

Land dangerously insufficient for the population now depending on agriculture.

28. The statistics furnished in the Commission's Statement VIII, show that the condition in this respect is growing worse: 21 million of raiyats and under-raiyats hold no more than 31 million of acres of land or an average of even less than one and half acre per holding, while the population of persons dependent on agriculture is estimated at 34 millions (Statement VII). Both Mr. Thompson and Mr. Porter (Census Superintendent, 1931) estimate the non-working dependents of agricultural workers as below 3 per worker. It looks rather low, as children, women and old and incapable persons must be included amongst the dependents. But taking at 3, an earning of at least Rs. 16 a month or Rs. 192 per year is necessary for bare living and clothing: and if the family is to depend on land alone, it should have at least 8 acres of land. Or, if the land be compact and the cost of production low, at least 6 acres.

A family needs at least 7 acres whereas he has only two.

29. But his average is only about 2 acres. The question is thus a stupendous one: and hardly believeable. For, it is still a remakable feature in Bengal that people of the labouring class have not been drifting to work in the mills and factories which

[1] Mr. Thomson proceeds then to compare with the conditions in England. The cultivated area in England and Wales, he says, is just over 26 million acres and according to the census of 1911, the number of male workers in agriculture was 1¼ million. These figures give some 21 acres per worker, ten times as much as in Bengal. In 1851, England and Wales gave 17 acres for every agricultural worker. But still Mr. Thompson had missed one other aspect in England and Wales: the industry of cattle breeding and cattle-grazing gave to a large proportion of agricultural population a very substantive subsidiary occupation—and there were 4 million acres of rough grazing land, and 15 million acres of permanent pasture.

Aversion of the people to factory labour.

are to-day manned largely by men from outside the province. It may be true that there are traditional prejudices against such labour, and aversion to the kind of life it involves, or it may even be, as Jathar and Beri have put it, the rights which the cultivator has in Bengal make him "stick like a limpet to his petty holding": yet these can hardly be said to give the correct, much less complete explanation. On the other hand, it is a notorious fact that artisans and men in professions like the barber's, washerman's and the like, are also drifting to land. Mere figures such as we have got, do not, as observed by the Agriculture Commission, give a proper idea of the economic conditions. It is a pity that no attempt has been made to compile correct statistics of agricultural produce on any scientific basis, such as was suggested by Dr. Bowley and Prof. Robertson a few years back.

30. Nevertheless, the fact remains that too large a proportion of the population is dependant on agriculture alone, than what the land can provide: while even those who work have nothing to do for half the days in the year. The position is worse where, for instance, in a family of 5 able-bodied persons, the few bighas of land it has, does not provide occupation for more than two, and that for only half the days of the year. This population must be given opportunities for other work to augment their resources, and as observed by Mr. Thompson (a view fully endorsed also by the Agriculture Commission, Chapter XVI of their Report) "the only amelioration of present conditions in Bengal that seems possible, is by bringing work within reach of the cultivator near his own village." Mr. Thompson refers to the possibilities of hand-loom as a cottage industry: and the Agriculture Commission has referred to other industries such as rice-husking, oil-crushing, sugar-refineries, cotton ginneries, manufacture of agricultural implements, paper manufacture, manufacture of oil-cakes, bone-crushing, pottery, rope making, cane and grass products (as mats, baskets etc.), sericulture, poultry-rearing and lac. To these may be added for Bengal with over 300 miles of sea-coast, the salt industry which at one time yielded over Rs. 117 lakhs as the State revenue: Fifth Report of 1812.[1]

Subsidiary occupations nearer home necessary.

A regular organisation, both educational and constructive, under the direction of the State is urgently needed. It is a question inseparable from any deliberation for improving the conditions

[1] Bengal used to supply not only its own needs of salt, but also the needs of other provinces. Grant in his Analysis (1786) says that even in 1763-64 there were along the 300 miles of the sea-coast 12,000 khallaries, each yielding 233 maunds of salt, or a total of 3 million maunds. The industry grew rapidly under the changed administration for good many years of the Company's rule: but subsided later to foreign enterprises. Bengal as now constituted is practically shorn of any mineral wealth, and the question of exploiting the natural advantage of its sea-coast, in a manner as will afford occupation and gain to its population, is important. It may bring over one crore of rupees a year to its individuals' wealth, besides one crore of revenue to Government (Provincial or Central).

of the people now employed in agriculture: and the Agriculture Commission also definitely thought so. In fact, the poverty of the villager is not so much a question of landlord and tenant, as a question of providing for unemployment by provision of subsidiary occupations: particularly so in Bengal where rent represents one-fourteenth part only of the produce.

31. There is little scope in this province for provision by extension of cultivation in uncultivated areas. There may be some tracts in West Bengal and in North Bengal, which may be brought under cultivation by irrigation or embankment arrangements; but generally, cultivation has extended in the villages to a dangerous limit, leaving little or no land for grazing cattle or even for a *bhagarh* where a carcass could be thrown: roads and pathways have been encroached upon. In some places decadent river beds have been embanked, obstructing drainage and bringing diseases in its tail and raising a different problem. There are reserved and protected forests: but they are serving a better purpose and their denudation is not free from the danger of many evil consequences. Colonisation in the Sundarbans is proceeding apace: and whether it should proceed faster is a question which may need particular investigation. Otherwise, in the 14 districts mentioned previously, there are only about one million acres of uncultivated land, exclusive of water and beels and marsh, roads and house-sites,—a very insignificant proportion to a total area of about 29 million acres.

Little scope for further extension of cultivation.

32. It is however an important question whether some substantial improvement cannot be effected by consolidation of small holdings by making compact the lands of a cultivator which are scattered in small plots all over, involving greater expense in the "production", and waste in some cases. This is generally recognised as an evil, though, as Prof. Radhakamal Mukherji has observed (article on Fractionalization in the Indian Journal of Economics, April 1927), it is not without an economic advantage. It affords a certain amount of insurance against vagaries of the season which may destroy the crops in one field, while the cultivator may still be able to have a crop in another. The causes which develop subdivision and fragmentation of holdings, and the ways by which the evil effects may be remedied are fully discussed in the Agriculture Commission's Report (1928), Chapter V, pages 129-44. The main cause may be said to be increase in population without corresponding expansion of industry: then the contributory factors are dissolution of the joint family and growth of individualistic spirit, all assisted by subdivisions as a family grows by succession. Jathar and Beri writing in 1931 (Indian Economics,

Evils of scattered lands of the same cultivator.

Punjab Method of consolidation.

Vol. 1, page 210) refers to considerable success in the Punjab from the experiments made there under the auspices of the Co-operative Department. The average area of 0·7 acre of a detached block in over an area of 98,000 acres was raised to 3·8 acres. Co-operation and combating against fear and suspicion in the mind of even the smallest right-holder are what are mainly needed: but assistance by legislation is also necessary. On the other hand, too much zeal is likely not only to frustrate the object, but also to lead to other evils. For instance, a rule of impartibility such as was proposed by Mr. Keatinge, Director of Agriculture, Bombay, in 1916, besides being repugnant to the Hindu and Muhammedan sentiments, would tend only to create a large population of landless proletariat which would be particularly dangerous in a country where the industries are so little developed that they cannot absorb even a fraction of the existing surplus agricultural population (Agriculture Commission's Report, para. 123). There should be an experiment in small trial-areas in the first instance, and in selecting such areas, the easiest villages (e.g., where there is one zamindar or one large tenureholder under whom a large number of raiyats hold directly) should be taken up.

The economic holding and the optimum holding.

33. But this, even if successful, may solve to a certain extent the problem of having an economic holding taken only in its abstract sense, meaning a piece of land which from its situation, size and compactness, is capable of yielding "the highest possible net return to every unit of capital and labour engaged in its cultivation". But it will not produce an "economic holding" from the practical point of view of the cultivator, i.e., an optimum holding which as defined by Keatinge, (Rural Economy in the Bombay-Deccan, pp. 52-53) would be "a holding which allows a man a chance of producing sufficient to support himself and his family in reasonable comfort after paying his necessary expenses", or as Dr. Mann puts it "one which will provide (an average family) at the minimum standard of life considered satisfactory." This takes us back to the question already discussed, viz., finding at least 7 acres of land for each agriculturist; or providing cottage and other industries as subsidiary occupations for the rural population.

Need of subsidiary occupations, again.

Development of under-raiyats.

34. Under-raiyats were unknown in earlier days. Even at the time of the Act of 1885, they were not considered of much importance, though Hon'ble Sir Stuart Bayley when introducing the Select Committee's Bill, envisaged that as population would increase the problem of under-raiyats was likely to become important, and he left it to the next generation to tackle. The Amendment of 1928 proceeded thus to give some very substantial rights to the under-raiyat, of course to the curtailment of the rights of the raiyat. So far, the measure aimed at preventing too much

Bargadars.

sub-letting; but the provisions regarding bargadars (persons engaged for cultivation on stipulation of a share of the actual produce) gave an encouragement to creation of *de facto* under-raiyats, though not to be called "tenants" to the hearing of law. One good point in this rule about bargadars is that it leaves a raiyat or a small tenureholder more free to resort to subsidiary or additional avocations, an important aspect of the economic problem of the villager, which has already been discussed at some length.

Proportion of under-raiyats.

35. Commission's Statement VIII shows that there are about 5 million under-raiyats against 16 million raiyats. Numerically, therefore, they are very considerable. Out of 28 million acres held by the raiyats, 3 million acres only are however sub-let to these under-raiyats, with the result that the average holding of an under-raiyat is about two-thirds of an acre. If they are supposed to live entirely on these lands, their position is hopeless. But most of them are ordinary day-labourers also and earn a living as such. Otherwise not only do they hold very inadequate quantities of land, but have to pay a much higher rent than the raiyat. The average incidence of their money-rent in the 14 districts mentioned before is Rs. 5-13 per acre, as against Rs. 3 of the raiyat. If their growth proceeds in this way, fortified with a substantially stable position as they are under the Amendment of 1928, they will at no distant future raise the same problems as now do the raiyats: and in more acute form, because their rent is so much higher. The Amendment of 1928 fixed their maximum rent to one-third of the gross produce (the theory of a definite share of the produce for money-rent first introduced in a legislation), as judged from this standard, their average rent of Rs. 5-13 cannot be said to exceed that limit: it is still about one-sixth. If gradually a larger number of the raiyats turn to be *de facto* tenureholders, viz., rent-receivers, the level of rent of the actual cultivators will automatically get raised: and the "raiyats" will be liable to be assailed as uneconomic intermediaries as the "tenureholders" and "zamindars" are being assailed by a section to-day. I do not suggest that this natural development of economic laws should be stopped: for it has its healthy aspects as well. The extent of this subinfeudation varies widely from district to district: it is highest in the southern districts of Jessore, Khulna, 24-Parganas and Nadia, and lowest in the eastern districts. It may be that some of these under-raiyats have originated from transfer of raiyati interests to men of the non-agricultural class: but I do not think that the position would be different if the right of transfer recently given to the raiyats were taken away. On the other hand, the result may be the reverse. Sales will continue, and as the people of the agricultural class will have greater difficulty to obtain recognition, sub-letting will increase both with the raiyats and

Incidence of their rent.

No change suggested.

the non-agriculturist purchaser. In so far as sub-letting indirectly helps the diversion of men of the raiyat-class to other occupations, without at the same time having to give up altogether their interest in land,—I would not call it an evil; the reduced income which such a raiyat would have, will still serve as a sort of insurance in bad times.

Tenureholders' characteristic of the Bengal System from early times.

36. It is a mistake to suppose that the tenureholders between the zamindar and the cultivator are only the creation of the zamindars. They have formed a part of the land system of Bengal from a very early period: and probably developed from a process of reclamation and settlement quite natural in the deltaic areas, which at not a very pre-historic time, were a dense forest infested by tigers and leopards, and intersected by wide rivers and the violent estuaries of the Bay,—forming innumerable islands, large and small all over the area. Reclamation of such areas needed pioneers with substantial resources such as visualised by Baden-Powell for similar areas where—the most severe and protracted labour has to be undergone in getting the dense forest and jungle cleared, and in digging out masses of stumps and roots", and the labour unremittingly continued for some time. In such cases "the man (or family) whose hands and funds have effected the change, is sure, at an early stage to regard himself, and be regarded by others, as peculiarly entitled". (Land Systems of British India, Vol. I, p. 114.)[1]

Tenures at the time of the permanent Settlement.

37. Shore in his Minutes of 1788 and 1789, refers to the extensive existence of tenureholders between the zamindar and the

[1]A glimpse of the process may be had from the account of Kalaketu's Settlement of a village by Mukundaram written in about 1577 A. D. It has no historical value, but still gives a picture of what was known even at that time as the traditional method of such settlement. Kalaketu had, in the first place, to be a good huntsman, able to kill or drive away tigers and other wild animals, so as to make the place safe. He had also to be a man of considerable resources with which he was simultaneously to engage barunias (wood-cutters) to clear the forest. He had next to invite cultivators on attractive terms:—"Come to my lands, I shall remove your distress and give you golden ear-rings to wear; settle here, cultivate as much land as you need and pay rent in 3 years: the rent is to be one rupee per plough-land: take patta from me as your authority, and fear no one". He then brought traders, artisans, etc., and settled them in the village. But Kalaketu was in trouble. He had not taken the previous permission of the Raja within whose jurisdiction the tract lay. The Raja (corresponding to later zamindars) sends his men to seize Kalaketu and he is put in prison. Eventually there is reconciliation, the Raja recognizes him and puts tilak on his forehead in the presence of the assembled people. It is a picture drawn by a poet, but shorn of the poetic appendages, it describes quite a probable process by which jungly tracts in the delta might have been originally reclaimed. In fact, somewhat similar process is still adopted in the reclamation of the Sundarban areas. The theory could be supported by references to Kautilya's Arthasastra (321 to 297 B. C.)—an excellent synopsis of which is given in F. J. Monahan's Early History of Bengal. I will not, however, add to the length of this note by digressing into the darkness of ancient history or the earlier accounts of the process in the Rigveda or Manu, which, by the way, did not pretend to represent the conditions of Bangadesh.

cultivators and takes the view that Todar Mal's assessment in Bengal attempted at no more than fixing the revenue to be paid by the zamindar calculated at a certain share (one-third) of the estimated value of the produce from the land, leaving it entirely to the latter to adjust the rents of the subordinate tenantry (tenureholders and raiyats) as best as they could. New settlements with extensions of reclamation and cultivation, during the long intervals between revisions of the revenue-assessment, were matters according to the circumstances and the convenience of the parties. Farming in lots by the larger zamindars for convenience of management were also common. The Regulations of the Decennial and Permanent Settlements, contain references throughout, to all these tenures, as istemrari (i.e., permanent and heritable) and even, curiously, *mokarari* (i.e., at permanently fixed rents) besides ordinary farming for definite periods. Some of these tenures (called "taluks") had existed from before the zamindari or had been obtained by purchase or gift from the zamindar, and at the time of the Decennial Settlement these were separated and formed into independent zamindaris (section 5 of Regulation VIII of 1793): but the rest continued under the zamindars who were made bound to respect the previous arrangements (sections 19, 48-51 of Regulation VIII of 1793). The jungle-barry taluks of Chittagong originating from grants or permits for "clearing away the jungle and bringing the land into a productive state" were also protected by special provision (section 8 of Regulation VIII of 1793).

38. As for how tenures after the Permanent Settlement, section 2 of Regulation XLIV of 1793, prohibited leases for a term exceeding 10 years or for renewal of such a lease excepting in the last year of the existing lease, the object, as stated in the Preamble, was that zamindars would otherwise "with a view to raise money or from other causes or motives" be induced to create tenures on reduced rates for long terms, thus endangering the security of the Government revenue from the estate itself. The restriction was removed by Regulation V (and XVIII) of 1812 when the zamindars were left free to create tenures or raiyati holdings in whatever manner the parties might agree. But immediately with the Permanent Settlement, it was fully realised that leases on too favourable terms would be offered by the zamindars to people who could lead reclamation of the extensive areas of waste and jungle lands, infested by wild beasts. It must have been the information of the authorities that they were doing so to speed up extension of cultivation, and stabilisation of their position. The agricultural population was severely dwindled, and attractive offers were obviously necessary to induce cultivators and reclaimers.

Kinds of tenures. Their developments.

39. Settlements by the zamindars with persons of some means who could organise clearance of jungles and extension of cultivation became thus common particularly in the southern districts. Many of the jotedars of Rangpur, and howladars, gnatidars and holders of abadi tenures in Bakarganj, Khulna, Jessore and 24-Parganas, owe their origin in this way. Otherwise, smaller tenures created by the zamindars have not been many. In the zamindari of the Burdwan Raj, the division of the extensive country into a large number of lots (farms or taluks) had been in existence long before the Permanent Settlement: and these were later recognised as patnis with special incidents and obligations, by Regulation VIII of 1819. Tenures created by zamindars since then, merely for the purpose of shifting the responsibility, expenses and trouble of collecting rents from the tenants, have been generally in the form of patnis. But tenures have developed more largely in other ways. Invalid "rent-frees" (non-Badshahi lakheraj es) below 50 bighas, when assessed to rent, became tenures: and their number is considerable in certain districts. The "100-bigha" rule of presumption in the Tenancy Act, has also led to the treatment of a large number of tenants, probably originally raiyats, as tenureholders. When raiyati holdings passed into the hands of non-agriculturists who let out the bulk of their lands the tenants came also to be treated as tenureholders, unless they could prove the origin of their tenancy. Similarly where the members of the family of a raiyat having taken to other avocations, left their lands on rent from others, but could not or did not care to prove the origin of their tenancies, came to be treated also as tenureholders. So also with many of the more prosperous amongst the agriculturists when they acquired considerable areas by purchase or otherwise. It has been said that an "aristocrat" is only a "democrat grown old" .The case with good many of these tenures has been similar. Many of the "tenureholders" of to-day were raiyats of yesterday.

Statistics of tenures.

40. In the 14 districts mentioned previously, the total number of rent-paying tenures (including under-tenures) is over one and half million (rent-free tenures another half million), against about 50 thousand estates over them, and about 9⅓ millions raiyati holdings below. The total area comprised in these tenures is not stated, but the total area in the khas possession of the rent-paying tenureholders (i.e., without any raiyat) is about 3¼ million acres. Except in the district of Bakarganj, where there is a maze of under-tenures, the tenures do not go generally below the second grade. I think about two-thirds of these tenures are mokarari (at fixed rent), and as these include patnis, the proportion of area of the mokarari tenures is greater. Where the rent is enhancible, the Tenancy law leaves a minimum profit of 10 per cent. to the

tenureholder after deducting the cost of collection and management. Usually, about 40 to 50 per cent. of the gross rental is fixed as fair rent by the Settlement Department.

Are tenures an evil?

41. Are these tenureholders an evil to the community or to the State? The tenureholders (along with the smaller zamindars) form the middle class,—the intelligentsia of Bengal. Mr. Field in his Introduction to the Bengal Regulations, states that this class (which is a special feature of Bengal) have readily availed themselves of the educational advantages of the British system, and it is amongst them that many men of great intelligence, public spirit and social influence can be found, although individually in comparative poverty. If a gradual accession to the wealth and influence of sub-proprietors (tenureholders), wrote Sir George Campbell (Administration Report, 1872-73), be a desirable thing for the interest of the community, this development has not been a matter for regret. The population of these tenureholders in the province is probably over four millions against about half a million zamindars (taking 5 for an estate): and the automatic distribution of a portion of the latter's rental profits amongst this middle class has a great economic value in itself. The individual income of a tenureholder is probably not more than Rs. 60 per annum in the average: but it still affords him a steadying anchorage in land, an insurance to fall back upon in times of distress: and for the poorer branch of the family the only stay. This class has largely taken to arts and cultural occupation and to that trade and commerce which was envisaged by Lord Cornwallis. They have also been providing the services, and the various professions such as of law, medicine, etc.

They formed the educated middle class.

Danger of detaching them from land.

I may thus note here that any scheme which will break this steadying anchorage and tend to create a landless proletariat of these four and half million of the middle class, is bound to lead to social and economic unrest to a much more dangerous extent than that envisaged for the landless labourers in this country by the Agriculture Commission. The State will be committed to some organised scheme for the absorption of this population in lucrative avocations suited to their education and ideals from closer touch with Western culture. It will also be a matter for serious consideration whether such a scheme will not give a definite set-back to the progress of higher education amongst this class and the community at large. As this class form the leaders of society, of whatever community—the landlords or the tenantry,—its repercussions in politics may also be very embarassing.

Zamindari or landlord system ancient in Bengal.

42. A landlord class—later called zamindars—has been a part of the land-system of Bengal from the earliest known times. The less deltaic part comprised of several principal kingships (Banga, Paundra, Modagjri, Pragjyotish, Summa and Ondra) each with a host of hereditary landholding chiefs under them: while the more deltaic area to the south and west of the river Padma, gradually began to develop similar institutions, later. The divisions changed from time to time and often under diffierent names, but the institutions did not die. During the period of Magadh domination, these kings remained as allies or confederates, independent to continue their indigenous systems.[1] The twelve chief zamindars (barabhuiyas) during the Pathan period are well known: and all had subordinate zamindars under them. One of these latter once became even the ruler of the province. So little interference was made with the organisations of these zamindars, that many of them maintained armies and fortresses, while the police and magisterial functions were largely exercised by them.

Continued by the Pathans.

Also by the Moghul.

43. Whether as a matter of convenience, or political expediency, the Moghuls did not disturb the system of collection of land-revenue they found prevailing in this distant province. But they crippled the powers of the zamindars, *firstly* by taking away the military function from them (one of the first instructions of Emperor Akbar to his Governor was to stop the zamindars maintaining any army or repairing their fortresses—Sair Mutakherin), and *secondly* by splitting them up by increasing their number and encouraging divisions. Several of the zamindars opposed by force the establishment of Moghul power; and their estates were divided up and distributed amongst the adherents. Two-fifths of the lands were given to jagirdars for civil and military establishment, and a large portion of the revenues of the province were drained off to provide for the splendour and luxury of Delhi. By the time the British came, the total number of zamindaris had been raised to near about 3,000, besides the innumerable jagir estates and the badshahi lakherajes. Although the military powers were taken away, the police and magisterial functions of maintaining order, were retained with the zamindars. The thanas and the outposts had to be maintained by them, and the larger ones of them had to keep a semi-constabulary staff of pikes and barkandazes. The settlement of civil disputes amongst the tenantry (barring succession by inheritance) was largely in their hands. The assessment and collection of sayer comprising duties on transit of merchandise by land or water, taxes on shops, bazars and gunges, and excise were their functions. And in the matter

Zamindar's functions.

[1]Fa-hien (405-11 A. D.) grazed along the western border of Bengal: and Hiuen-tsang (629-45) travelled through at least 6 practically independent kingdoms in Bengal each with a large capital.

of enforcement of rent from the tenantry whether by seizure of their crops and other moveables, or by confinement and physical coercion, they had almost unrestricted authority.

Not expanded by the Permanent Settlement.

44. I do not suggest that this was good administration, either for the State or for the people. But it will not be correct to say that the status of the zamindars was elevated by the Permanent Settlement. On the other hand, it was reduced to more or less that of rent collectors, tied down by various restrictions about disposal of land and treatment of the tenants, enjoined in the Regulations then passed with reservation of the power for further Regulations as might be deemed fit. They were no doubt called "proprietors of the soil", but with all these material restrictions, it was only a very limited ownership which was recognised. In fact, with the tenancy conditions in this country (and perhaps in any country) no one person can be said to be full owner of "land". All that it meant was that residuary rights or rights not sepecifically restricted would rest in the zamindar: for example—rights in mines and minerals, or right to dispose of lands (subject to limitations imposed by law) which were not tenanted or which a tenant abandons or which otherwise merges in the zamindar. As a matter of fact, the manner of putting the position would be to say that—every raiyat (or under-raiyat) is the owner of that quantum of rights in the land which the law allows him and so for every tenureholder and every zamindar. The sum total of these quantums would give the full ownership, but no one in the chain possesses it.

Zamindars recognised as proprietors of the land.

45. The Proclamation of 1793 declared that the zamindars and independent talukdars with whom settlement would be made, were to be recognised as the proprietors of the land. There was a good deal of study and anxious consideration at the time, before this decision was finally arrived at. Bengal was not a *tabula rasa* on which, when the English came, they were free to construct any system of land tenure that pleased them. The institution of zamindars was there, and could not be ignored. At the outset, Lord Cornwallis made a very pertinent observation that when a settlement was to be made with the zamindars and that in perpetuity, and full powers were to be reserved for the protection of the tenantry, the question of proprietory right was a matter of little practical importance. Shore, however, dipped into the question both in the abstract as well as from what could be gleaned from past history and the maze of inconsistent practices under a long period of autocratic monarchy, where the Sovereign's will was the law. He maintained that of the three parties in the field, viz., the King, the zamindar and the cultivator, the zamindar possessed the largest quantum of interests which constituted proprietary

Proprietary of this recognition.

right. Imbued, however, as he naturally was, with the conception of legal ownership of an English landowner, Shore was puzzled how this could be reconciled with any idea of inviolable rights of the tenantry as well. A complete answer was given to him by Lord Cornwallis, as will appear later on: but as later critics have often questioned the propriety of the declaration that the zamindars at that time were the actual proprietors of land and the question has been definitely raised now also, I would try to elucidate first what exactly was meant by the proprietary right of the zamindars, in the several articles of that Declaration and in the Regulations made in 1793.

Meaning of proprietary right as then intended.

46. In the first place full and free right of transfer by sale, gift or otherwise, the whole or any portion of their estates without applying to Government for sanction, was recognised (article 8 of the Proclamation). When a portion of an estate was so transferred the zamindars would obtain from Government a proportionate division of the assessment, without any increase in the total. The zamindari right would pass also by succession according to the law of inheritence governing the individual (same article 8). For the untenanted lands, which comprised the bulk of the waste and jungle, the zamindars were to be free to let them out in whatever manner they liked (section 52 of Regulation VIII of 1793). It was difficult to say that, whatever occasional deviations were attempted at times under an autocratic rule, these privileges were not being on the whole enjoyed by the zamindars for centuries prior to the advent of the English.

The restrictions then imposed.

47. However, while these elements of ownership were specifically mentioned, certain liabilities and material disabilities were also specified. In the first place the zamindars were required to pay the Government revenue, strictly punctually, without any claim for suspension or remission on account of drought, inundation or other calamity of the season (article VI of the Proclamation): in default their estates, either entire or in part, were liable to sale forthwith (same article), or these might be attached and let out in farm (or held khas) for such time as the arrears was not recovered, and in case of contumacy they were even liable to be kept under confinement (section 4, Regulation XIV of 1937)[1]

Punctual payment.

Rents of existing tenants not to be increased.

As regards the then existing khudkasht raiyats, their rents (consolidated with and asal jama and the abwabs already imposed) were not to be increased in future, and the pattas to be granted

[1]Section 4 of Regulation XIV of 1793 was superseded by section 3 of Regulation III of 1794.

with these amounts could not be cancelled (sections 55 to 61 of Regulation VIII of 1793).[1]

As for the existing farmers, the zamindar's engagements with them were to be respected and where there were permanent tenure-holders as istemraris, their respective rights of inheritance or fixed rent were also to be respected (sections 48 to 51 of Regulation VIII of 1793).

New raiyats not to pay more than the established pargana rate.

As regards new holdings after the Permanent Settlement in the then untenanted waste and jungle, the right to let them out was restricted to no more than at the established pargana rate or incidence of the raiyat's rents whether initially or at renewals of leases (section 7 of Regulations VII of 1794).[2]

Sayer, etc., abolished.

While imposition of any future abwab was forbidden, the previous practice by which the zamindar used to levy sayer and other internal duties or taxes on merchandise in hats, gunges and bazars was stopped [article VII (2) of the Proclamation and section 35 of Regulation VIII of 1793]. Their functions regarding maintenance of the police establishment were to cease and they were to disband the pykes who were being employed by them wholly or partly for this purpose (article VII of the Proclamation and section 41 of Regulation VIII of 1793).

Invalid lakharajes not to be assessed.

The zamindars were also forbidden to assess for their benefit, invalid lakheraj lands within their zamindaris, whether claimed under a Royal grant or otherwise [article VIII (2) and (3) of the Proclamation] or the police chakran lands.[3]

They were to employ a patwari in every village to keep a correct account of the raiyats, and the patwari was to be liable to produce his book to the Dewani Adawlat or the Collector for inspection, when called for (section 62 of Regulation VIII of 1793). Although the power of the zamindar to seize and sell the crops and other chattles of the tenant when he had failed to pay rent, was retained, his previous power of confining the tenant was taken away: and otherwise his remedy for realising an arrear was by a rent suit in the Dewani Adawlat (Regulation XVII of 1793).

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[1] Exceptions were when there was fraud or collusion or when there was a later adjustment of rate on a measurement as to the correct quantity of land.

[2] Under section 2 of Regulation XLIV of 1793 the granting of such lease was limited to 10 years, in apprehension that the zamindars might settle at rates lower than the established pargana rates, to the prejudice of the security of Government revenue. The restriction was withdrawn by Regulation V of 1812.

[3] In case of claims not under a Badshahi grant, areas below 50 bighas were left to the zamindar by Reg. XIX of 1793: in all other cases the assessment on invalid lakherajes was separate and enured directly to Government.

Further full power of legislation for the tenantry reserved by Government.

Besides these, full power was reserved to Government for the protection and welfare of the tenancy by legislation or otherwise, as occasions might need [article VII (1) of the Proclamation].

48. This was, in brief, the position of the zamindar *vis-a-vis* the State on the one side and the raiyat on the other, as enunciated in the Regulations of the Permanent Settlement. Whatever may be the strict judicial conception of the expression "proprietary right in land", the meaning which the authors of these Regulations intended, was abundantly clear from this enunciation of specific rights and specific disabilities in the Codes which they made. Shore was inclined to the view that the restrictions imposed were inconsistent with "proprietary right": that it was an encroachment upon such right to prohibit its owner from imposing taxes on his tenants, for it was saying to him that he must not raise the rents of his estate and that if the land was zamindar's, it would be only partially his property, whilst Government prescribed the quantum which he was to collect. Lord Cornwallis gave a complete answer to this. In his Minute, dated February 1790 (paragraph 2), he said:—

Were these restrictions inconsistent with proprietary right ?

"If Mr. Shore means that after having declared the zamindar proprietor of the soil, in order to be consistent we have no right to prevent his imposing new abwabs or taxes on the lands in cultivation, I must differ with him in opinion, unless we suppose the raiyats to be absolute slaves of the zamindars. Every bigha of land possessed by them must have been cultivated under an expressed or implied agreement that a certain sum should be paid for each bigha of produce and no more. Every abwab, or tax imposed by the zamindar over and above that sum is not only a breach of that agreement, but a direct violation of the established laws of the country. The cultivator, therefore, has in such case an undoubted right to apply to Government for the protection of his property: and Government is at all times bound to afford him redress."

Harington in his Analysis of the Regulations (page 222), while comparing this proprietary right with the corresponding right of the English landlord, observed:—

'If by the terms *proprietor of land and actual proprietor of the soil*, be meant a landholder possessing the full rights of an English landlord, or free-holder in fee simple, with equal liberty to dispose of all the lands forming part of his estate as he may think most for his own advantage, to oust his tenants, whether for life or for term of years, on the termination of their respective leaseholds, and to advance their rents on the expiry of the leases

at his discretion,—such a designation, it may be admitted, is not strictly and correctly applicable to a Bengal zamindar, who does not possess so unlimited a power over the khudkasht, raiyats, and other descriptions of under-tenants possessing as well as himself, certain rights and interests in the lands which constitute his zamindari."

But the position need not be read in this manner. The only difference is that while in the English conditions the restrictions and limitations in the exercise of the landlord's rights were specified in an agreement, probably in writing, the Regulations of the Permanent Settlement only laid down what these customary and necessary restrictions were and which would generally apply to all. In the condition of things in this country—its vast area and millions of illiterate people concerned—this differentiation is perfectly intelligible. While it is true that the rights which the Government recognised in the zamindars, did not in any way affect or derogate from the rights and the protection which the raiyats enjoyed whether by custom or by specific legislation by the State on public grounds, the existence of such rights and protection does not necessarily affect or derogate from the proprietary right of the zamindars so as to make that right nugatory. The law courts[1] have felt no difficulty in reading the position in this way, and in holding that the zamindars were, by these Regulations, nonetheless proprietors of the land.

Law Courts have felt no difficulty in reconciling them.

All that these restrictions meant was that they were of the nature of implied *jus in re aliena,* or detached rights recognised by custom or the system of the law of the country, and accepted as sound from the point of view of public policy and welfare of the people at large. The parent right of ownership was with the zamindar. So, when a raiyat abandoned, his occupancy rights merged in the proprietor. All residuary rights not specified in the restrictions, belonged to the proprietor: and so it has been held[2] that rights in mines and minerals in the permanently settled areas belonged to the zamindars by reasons of their being recognised as "proprietors", land meaning all things down to the centre of the earth. So, also for fishery rights.

And interpreting that barring these restrictions all residuary rights were in the zamindar.

This proprietary right or ownership, does not vanish by diluvion or submergence of the land, for law makes no difference between land covered with water and land covered with crops. (Lopes

[1] *Freeman* vs. *Fairlie* (*1828*) I. M. I. A. 305 (at page 341): *Raja Ranjit Singh Bahadur* vs. *Srimati Kali Dasi Debi* (1917) 44 Cal. 841 (P.C.), 21 C. W. N. 609, 25 C. L. J. 499.

[2] *Sasi Bhusan Misra* vs. *Jyoti Prasad Singh Deo* (1916) P. C. 44 I.A. 46 (per Lord Buckmaster), 21 C. W. N. 377, 25 C. L. J. 265.

vs. Mudddun Mohon Thakoor 13 M. I. A., 467). It extends to alluvial accretions from public domain as by the gradual recess of an adjoining river. (Section 4 of Regulation XI of 1825).

Meaning of proprietary right more clear in the matter of disposal of the untenanted lands—waste and jungle.

But the more tangible side of this proprietary right was with regard to the extensive area of waste and jungle lands where there were no tenants. At the time of the Decennial Settlement they covered about 4/5ths of the total area. Tenants subsequently coming to occupy these lands clearly came in rights *jus in re aliena*: and for the same reasons as stated before, it did not necessarily mean that the State was debarred from exercising its Sovereign powers for the protection of such tenants who were its subjects, or that such protection would be construed as affecting or inconsistent with the otherwise proprietary interest of the zamindar.

Practical view taken by Lord Cornwallis.

49. As practical administrators called upon to ascertain and respect the privileges actually possessed then under the indigenous system by various classes of persons having interests in land, the authors of the measures taken in 1793, directed their attention mainly to the consideration of facts as they found then, modifying only so far as any detail appeared to them to be unconscionable, but otherwise adopting the existing framework in their codification of the relative rights and disabilities of these various classes. Lord Cornwallis did not trouble himself with discourses of abstract theories of growth of property rights in a country still strange to them; and when he had defined what were the relative rights and disabilities as between the State, the zamindar, the cultivator, and also the intermediate landholders, the question as to who amongst them was called the "proprietor", was of little practical importance. In his robust judgment he felt that in the conditions in Bengal, the Ruling Power could not be called the "proprietor". The raiyat, as he found him possessed so very poor privileges, were subject to so many limitations regarding disposal or user of the lands held by them, [2]while the zamindars were the party who had the privilege and responsibility of disposing of the abandoned holdings and the vast areas of uncultivated and untenanted lands in their respective jurisdictions, he took the view that of the two, if any were to be called the proprietor, he was the zamindar. It is a truism that in law, no man can be the absolute owner of lands: he can only hold an "estate" in them, i.e., a quan-

[1]Apart from the fact that the raiyat could not sell or even change the species of crop at his free will, neither the Hindu nor the Muhammadan codes conceived the cultivator as concerned with anything beyond tilling the soil. The conception of land as meaning all things down to the centre of the earth (including mines and minerals) was unknown, and user of land by the "tiller of the soil" for purposes other than agriculture was not contemplated.

tity of interests in the lands very much controlled not only by the nature of the property being immovable and indestructible, but also by the existence of the interests of many others[1]: or as Mr. Justice Field has observed, "no one ever did or can own" land in any country in the sense of absolute ownership—such ownership as a man may have in movable property, for example a cow or a sheep which may be stolen, killed or eaten, or a table or a chair which may be broken up and burnt". No such absolute ownership was or could possibly be conceived by the authors of the Proclamation of 1793 which recognised the zamindars to be the "proprietors of land". The Courts of Law have thus felt no difficulty (see the Great Rent Case of 1865, *per* Macpherson J., Campbell J., and Seton-Karr J.) in understanding the import of the "proprietary right" as recognised in the Proclamation though it was of the nature of "limited ownership" and could not be exactly reconciled with the "ownership" of English landlord.

Later critics—other grounds: The King not the owner of land.

50. Later critics who have approached the question in other lines have generally agreed that the Sovereign could not claim the ownership of land whether under the Hindu codes or under the law established during the Muhammedan period. Keeping aside the question whether Manu's code at all applied to Bangadesh, that code put the king's levy on the profits from land in the same category as his levies on industrial produce such as gems, gold, silver, utensils and profits from trade. It was of the nature of a tax, or as Jajnavalkya calls it "rajyapalana betanam", i.e., for meeting the expenses of Government.

The law as established during the Muhammadan period.

When the Muhammadans conquered Hindusthan, in theory all rights vested in the conqueror, but in practice, and as a measure of expediency, they did not, as will have appeared from the previous discussions, disturb the existing institutions which had developed in different ways in different provinces. Legal theorists easily found a solution from the precedent in the concession for the Suwaud of Iraq, Syria and Egypt. According to Hidaya—"the land of the Suwaud is the property of those who live in it * * * * because the Imam when he has conquered a country by force of arms, may confirm the people in possession of it and may impose upon the people a tax or tribute, after which the land remains the property of the people". Galloway in his Law and Constitution of India, states—"India was brought under the

[1]Williams—"Law of Real Property," Markby in his Elements of Law has explained how it is impossible to define "ownership" with reference to "land", and has referred to unsatisfactory attempts made by German, French and American jurists. Ownership in real property may be conceived as the "home" of all rights where, if any of these, as a detached right, lapse it would come back.

principle or law of settlement of land of the Suwaud of Iraq, because the people paid the jijeeat or capitation tax and consented to pay the khiraj". However explained, the fact remained, as Col. Briggs has observed, that the Muhammedans saw the policy of not disturbing existing institutions: they assessed all districts at a certain sum, and required the *des adhikars* whom they subsequently entitled zamindars, to levy the amount from the respective villages or towns under their charge. So far as Subah Bengal was concerned, we will see later that when any land was taken out from the zamindars for conferment on a jagirdar an yearly allowance out of the profits of the jagir called malikana was provided for, and sometimes the lands were actually purchased from the zamindars.

Zamindar and the raiyat.

51. So far, therefore, as the Ruling Power was concerned the position was that the land belonged to the subject, and the king was entitled only to levy a tax for his revenue. But who was this subject in Bengal,—the zamindar or the raiyat? The disquisitions on this question have led to very learned studies as to the origin of rights in land, when in some primitive time all lands were *res nullius*, open to any one to go over and till and then retain, so long as he could by force. Manu's code (supposed to be written about 1000 B.C.) has a verse which states that cultivated land is the "property of him who cut away the wood or who cleared and tilled it". Taking the instance of Kalaketu (para. 36 *ante*),—who was this man?—Kalaketu who drove away the beasts of the forest, or the barunias who cut away the woods, or the cultivators whom he invited with offers of golden ear-rings or the zamindar in whose allotted estate the forest lay?[1]

Theory of *res nullius* and first occupation.

Assuming that the person who first brought under plough a particular patch of ground, then nobody's property, in some bygone time, thus acquired absolute right in it which then descended to his son, grandson, great-grandson and so forth, would any of the present cultivator be able to satisfy this test?[2]

Such progeny must have long passed into the landlord class. It is idle to go into those theoretical discussions. Lands had

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[1]I would not digress to explain that the accounts of migration in Rigveda or in Manu or of settlement of new lands in Kautilya, did not represent the conditions in Bengal. Bangadesh, separated as it was by the 27,000 sq. miles of the hills and plateaus of the Kolharian tribes of Chota Nagpur and the Sonthal Parganas, had developed its institutions quite on different lines, as the Sindh areas on the lower Indus, the Dravidians in southern India, or the Kols and Sudras. It has till now retained its distinctive features as much in its language, thoughts, forms of worship, etc., as in, what is more pertinent, its conception of property rights as expounded in the Bengal School of Hindu Law.

[2]Taking the theory that "land belongs to him who tills it" literally, the real owner would be the actual cultivator, i.e., the under-raiyat of the lowest degree or perhaps even the cultivating labourer as the bargadar. The conception of *jus re aliena* would vanish.

ceased to be *res mullius* or nobody's property centuries ago, long before the English or the Pathans came. Societies had organised into kingships, and lands had been allotted (confining to Bengal conditions for the moment) to the jurisdiction of various chiefs. The least rights recognised in them were reclaiming either by themselves or by induction of tenants on soils which were still virgin, or had been abandoned by their previous cultivators. This process in Bengal was not an easy matter. The whole of the deltaic area between the rivers Padma and Bhagirathi (or perhaps up to the old course of the Damodar) was, as has been observed before, dense forest intersected by wide and violent rivers or the estauaries of the Bay, with ferocious animals on land and sharks and crocodiles in the saline water. It needed organisation by persons who could command men and money.[1] This was not in the pre-historic times of "*res nullius*", but within the comparatively recent history when societies and kingships had already been well-formed in Bangadesh. The zamindari system has thus been as observed by Baden-Powell, a special feature in the very early development of the land system in Bengal.

Special features of deltaic Bengal.-

52. The position of the zamindar was fully analysed by Shore in his very able Minute of 2nd April 1788, recorded in the Proceedings of the Revenue Department of that date. He commenced his Minute by a reference to the division of Bengal—during the Hindu period, into numerous properties of Rajas and how these were not disturbed during the Pathan regime. The change effected by Todar Mal's settlement did not, in his opinion, "destroy the right of property in the soil, although it greatly reduced the interest of the proprietors in it", because it fixed the Sovereign's share at a definite proportion of the gross produce. In one very material respect was Akbar's plan modified in its application in Bengal. There were no officers of the State in Bengal corresponding to Amils, in the code of Akbar, and Shore observed—"He (Akbar) left with the zamindars the management of their land" —only stipulating with them what revenue they were to pay. Shore could find no mention of nankar lands, supposed to have been meant to cover the zamindar's profit, in the account of Todar Mal's proceedings. The zamindar's resources, were thus from the rents he derived from the tenants, improvements of cultivation, and new settlements of land, which often were called his "hidden resources". Jaffar Khan (Murshid Kuli Khan) in his drastic

Shore's Minute of 2nd April 1788.

[1]Many ancient families of landholders have their traditions how some ancestor of theirs had fought with beasts, cleared jungles and built embankments for reclamation of these areas. The suffix 'al' in Bengal, means "embankment", and according to Abul Fazl (1603), these embankments were then usually 20 cubits in breadth and 10 cubits in height.

attempts did not, Shore commented, "annul their (the zamindar's) right of inheritance and that he (Jaffar Khan) considered the zamindars to have a property in the soil": and that during the 25 years of administration by the English they had constantly admitted that the zamindars were the proprietors of the soil.

53. The main arguments put forward against the zamindar's claim were from the terms of the zamindari sanads of grants. These arguments were that a sanad proved that it was essential that there should be an investiture: that the zamindari was expressly called in it a service: that an acknowledgment was constantly paid to the Sovereign previous to an investiture: that security for personal appearance of the zamindar was demanded: and that all these were inconsistent with right of property and with the constitution of the Moghul Empire which fixed a share of the gross produce of the soil as its revenue. Shore commented that "although the avowed principle of the Moghul Government limits the value of the landed property, and makes it dependent on the equity and humanity of the Sovereign, it is not incompatible with its existence and goes no further than to establish the right of the State to a proportion of the rents of all land". The inheritable quality of zamindari tenure, he said, was ascertained by the laws of usage and prescription, which he added, were admitted in all countries as legal and indefeasible where they were derived from any principle of natural right or were conformable to right reason. He distinguished this position from that of a Cronia or Aumil in other provinces, which were offices and did not succeed by inheritance. That the term "service" was used in the sanad, he said, proved nothing; for "property may depend upon services, or service, in the course of time, by usage, be converted into property and inheritance". The acknowledgment on investiture, he said, was rather a proof of this, unless it was deemed an exaction.[1] In any case it was only from the bigger zamindars that this investiture and nazar were demanded, and the smaller ones were left undisturbed. "In a country subject to frequent disturbances", Shore continued to observe, "and revolutions, in which the zamindars so often took part against the established Government, the propriety as well as necessity of personal obligation, by which one became bound for the atten-

[1]An interesting instance of what happened when the peskhush and nazaranah for a renewal of *sanad* or succession by inheritance was not paid, is given in Patton's Asiatic Monarchies (pages 177-78). The succeeding zemindar was not allowed to sign the public accounts, and year after year his revenue remained unpaid. The dues thus swelled and eventually only as much of these as could be exacted was realised. Shore in another place observes that these investitures or sanads were often considered a mark of honour for the recipient.

dance and good behaviour is obvious", and that this did not authorise an inference to the prejudice of zamindari property.[1]

54. But the strongest arguments of Shore were perhaps where he referred to the practice of malikana allowance, transfers by sale or otherwise of zamindaris, creation of taluks or dependent tenures—(also transferable and heritable)—by the zamindars, and actual purchases by the Government when a jagir was granted out of a zamindari. Malikana was an allowance (usually 10 per cent. of the assets) which was granted to the zamindar as a sort of pension not only when temporary management was taken over for default in revenue, but also when any land was taken out for a jagir or altamga to an official of the State. Sometimes, Shore says, lands were actually purchased from the zamindars for such transference. The terms "malikana", continued Shore "was a very expressive term, which may be rendered the right of proprietorship", and "when it is considered that the altamga grant has no reserve or limitation, and that the persons who acquired by it the possession of land in perpetuity, had generally very considerable interest at Court, it may be reasonably supposed that they would not have relinquished any part of their Sovereign's donation except in compliance with an acknowledged right".

55. For further proof of clear recognition of a property right of the zamindar, Shore refers in his Minute also to be practice of the Moghul Government to sell zamindaris for the discharge of the arrears of Government revenue, and to the records of such sales.

56. Shore referred to the Institutes of Timur, which avowed that the Sovereign was the sole proprietor of the soil, and observed that it was highly probable that the principle was modified in actual application: that is to say in exigencies and circumstances as were later found in Bengal. The zamindars in Bengal, Shore observed in the same Minute, were not the creation of the Moghuls they were there from before the regime of the previous Muhammadan Rulers (Pathans), and in Akbar's time they were "numerous, rich and powerful". "From this circumstance, as well as other collateral considerations," continued Shore "there is reason to suppose that the new invaders, who claimed the revenues of the country, from motives of policy and humanity, employed

[1]Otherwise Shore doubted whether the practice or sanad for renewal was at all the practice. He could trace no account of the zamindari sanad to the reign of Akbar except one, the authority of which, he felt, was doubtful. He named a number of zamindars who had succeeded without any sannad,—Mukund Ram and Ramkrishna holding two divisions of the zamindari of Mohamed Aminpur, Narendra Narayan and Mod Narain holding Luskerpur, the zamindars of Kankjol, Pargana Muldevar, Pargana Chanderdeep, Homnabed, Edelpore, Kismat Pargana Hougla, Pargana Ateah, Pargana Kharganj, Pargana Mehlind.

the ancient possessors of land as their agents for the collection of the taxes of the State, superadding the jurisdiction exercised by the Collectors of revenue in their own system of finance.[1]

57. Shore's discourse on this subject was so thorough, that though at places it read like special pleading, it was entirely convincing to the authorities of the time: and whatever halting views the Court of Directors had (*vide* their Despatch, dated 12th April 1786), were gone. It was thus that, quite apart from any question of policy, the zamindars were recognised as the actual proprietors of the land, the raiyats were their tenants, and the Ruling Power was entitled to assess such revenue as it considered proper consistently with the capacity of the raiyat. The articles of the Proclamation of 1793 were prepared accordingly: and in a later case as early as 1828, the Privy Council (Lord Chancellor) observed:—

"I think it is impossible to read these articles which were prepared obviously with great caution and consideration by persons well-acquainted with the subject, and possessing every means of obtaining most accurate information on it, and as far back as 1793, without coming to the conclusion that the zamindars and talukdars were owners of the soil.' Freeman *vs.* Fairlie (1828), 1. M. I. A. 305 (at page 341).

The unnamed author of the admirable book—"The Zamindary Settlement of Bengal" (1879), cites extensive references on this subject: most of which are covered by the observations already made. But there is one remark by Galloway in his "Law and Constitution of India", 1825, and another by Patton in his Ancient Monarchies which appear to be unsupportable in facts, and require explaining.

Galloway adverts to a statement in Ain-i-Akbari that the husbandmen in Bengal, who were very obedient, used to bring mohurs and rupees to the places appointed for the receipt of the revenue, and concludes from this that "it was a matter of undoubted history that there was no such thing as a great zamindar either in Bengal or Bihar". But the facts of history are otherwise. The zamindars of Krishnagar, Chanchra, Naldanga, Kus-

[1]The list of "officers" in Ain-i-Akbari does not include the "zamindar" and this, Shore pointed out in his note to the Minute, was significant. In the original Ain-i-Akbari Shore found frequent mention of the term "Bomee" with reference to the zemindar, which he interprets as equivalent to the Persian term which meant "possessing the soil". It was probably the same as "Bhuiya" or "Bhumia" of Bengal. Harington mentions that the term "Buzbuzgur" used with reference to a zamindar who was disobedient, and says that "Buzurgur" in Persian denoted generally a landholder or husbandman. "Aumilguzar" was the "office" of the Collector of revenue and meant an "officer" of the State. There was no "aumilguzar", but his function was superadded to the "zamindar".

daha and other places who helped Man Singh, existed before the Moghul conquest, and continued as great zamindars afterwards. There were also other similar zamindars who had so sternly resisted the Moghul. It is true that many zamindaris, large and small, sprang up after the conquest: but these were only by divisions of the lands of the Bhuiyas and other great zamindars who had resisted the Moghul, and were eventually crushed. The history of the consolidation of the zamindaris of Burdwan at a later period of Moghul Rule was also a history of subjugation or consolidation of smaller zamindaris or principalities by the ancestor of the present Raj-family.—Abu Roy. The ancient Rajas and Rajanyas in Bengal and their subordinate landholders formed undoubtedly the nucleus of the institution which during the Muhammadan regime was given the Persian name zamindari. The landlord was called the "Raja", and even to-day in Bengal, the relationship of landlord and tenant is called raja-praja-sambandha.

Patton dwells on the dispossessions of zamindars by Jaffar Khan (Murshed Kuli Khan) during Aurangzeb's reign, and takes it as indicating that they were not recognised as having any stable property right in the lands. How far Murshed Kuli Khan's attempts were induced by political motives in those troubled days we do not know definitely. But as pointed out by Shore these were confined to cases of default in payment of the revenue, and perhaps were of a temporary nature, for in some cases, as he found, the malikana allowance was continued. But Murshed Kuli Khan's attempt to assert a previously unknown power of the Sovereign,—was a failure, and the zamindars had to be restored within three years.

The author of the Zamindary Settlement, also mentions Colebrooke's Supplement (p. 190), where it is stated that in 1772 the Court of Directors wanted to exercise authority to dismiss zamindars as well as the Nazim Nawab Muhammad Reza Khan. This, in the first place, gives no precedent of what the constitutional practice was during the Moghul period: and in the second place the fact remains that the zamindars were not dismissed and the Directors had very soon (1775) to withdraw their orders regarding the zamindars. This recession of the Order of 1772 only indicates that that order was issued under a misconception.

Confusion of thought on the analogy of Sir Thomas Munro's exposition of Madras polygars.

58. All these later critics were apparently much influenced by Sir Thomas Munro's exposition of the polygars in central and southern Madras. But they overlooked that India was a continent, in which widely divergent manners and systems existed and had developed in different parts in different ways. Though all these bore some mark of the influence of ancient Aryan thought and

culture, the frameworks remained in tact. It was particularly so in the land system. The Muhammadans did not break these frameworks, though at places there were what Baden-Powell calls compromises, adaptations or super-impositions. Bangadesh—the delta of the Ganges and the Brahmaputra,—was forbidden land (akin to mlechas) of the proud Aryans in central Aryabarta. It developed its own earlier traditions,—not only in language, thought, societies and forms of religious worship, but what is more pertinent, also in its conception of property right (the Bengal School of Hindu Law) and in pursuits for trade and commerce which its physical situation afforded, and for which it has been noted from the earliest historical time. Its land system also developed on the lines of local exigencies and conveniences. Geographically, it was detached from Northern India by 27,000 square miles of the rugged hills and plateaus of Chota Nagpur, inhabited by a distinct race—the Kolharians with their indigenous institutions which are not yet extinct.

Detached situation of Bengal.

Existing land systems generally recognised:—

59. The truth about these diversities in different parts of India, has been brought out by Baden-Powell in his admirable comparative study of the Land Systems in British India (3 vols. 1892), and will be apparent to any cursory reader: and it may be said at once that it was never overlooked by the British administrators, when they adopted their revenue systems in different provinces. They never treated any country as "without a past": and even in Oudh where the estates of talukdars where confiscated (Proclamation 1858) on the Sepoy Mutiny, these were almost entirely restored to them, and the previous land system was continued.

(I) Oudh talukdary system.

(II) The Northern Circars.

In the Madras Presidency, the northern part (called Northern Circars) which extended to the south almost as far as the Godavari river, was obtained from the Emperor at Delhi, in 1765, but only nominally, because the Emperor had then little control over this area. It was obtained by the British later in 1768, from the Nizam of Deccan: and then they found that excepting certain lands called haveli which were reserved for the royal family, the rest were held by zamindars, much in the same manner as in Bengal. The same plan was adopted here.

(III) The N. W. Provinces.

The northern provinces of India had suffered the greatest disturbances from constant political changes and raids such as those by the Scythians in the 2nd century, the Ephathalities in the 5th century, the Muhammadans before they settled down as rulers, and even as late as 1740 by the terrible Nadir Shah. In the midst of apparent diversities in the different parts, when the British obtained (1801-1813) the territory then called the North Western Pro-

vinces, they found that generally a landlord system existed, though in various names as rajas, talukdars, malguzars, lambardars or mustajirs. This general system was recognised, and the main point of difference from Bengal, was that the land revenue was not fixed in perpetuity (Regulation VII of 1822 and Regulation IX of 1833).

(IV) The Punjab.

In the Punjab, during Maharaja Ranjit Singh's time, a good part was reserved as Crown property: but the rest were distributed amongst Muhammadans and Sikh chiefs who had their subordinate chiefs—all linked up in a sort of feudal chain. The British obtained the territory during 1846-49, and, to state generally, except for the areas of Crown wastes, the system is being continued with assessment of 50 per cent. of the rental assets of the landlords.

(V) The Central Provinces.

The Central Provinces (keeping Berar separate) came under British administration by stages during the long period 1818 to 1860, the bulk, however, being obtained in 1818 by the treaty with the Peshwa and by the cession from the Bhonsla king Appaji. When constituted a separate administration in 1861-62, it was as stated by Mr. (Sir Bamfylde) Fuller—"a veritable territorial puzzle" with circumstances differing widely from tract to tract. The Nagpur portion was the centre of the great Maharatta confederacy: the Nimar part was included in one of the Muhammadan Deccan kingdoms: the central part bore affinities with the "landlord" village communities of the Rajputs: Sambalpore had influences of Ondra or Oriyas: and the remaining districts had the system of estate holders and quasi feudal chiefs of the Gond kingdoms. Escheats or conquests brought large tracts as Crown lands: but in the rest the local chiefs or estate holders, were absorbed in the general landlord system recognised in the temporary settlements which now generally go by the name of "Saharanpur method".

(VI) Madras.

In the part of the Madras Presidency, south of the Northern Circars, there were first the jagir (khas zamindaris) obtained from the Nawab of Carnatic and Emperor Shah Alam during 1750 to 1763 A.D. Then there was the remaining area with the peculiar system of village polygar: all quarrelling and fighting amongst themselves. These fightings came to be notorious as disgraceful "polygar wars". But though usurping some functions which might be compared with those of Bengal zamindars, "they were for the most part", writes Baden-Powell, "no zamindars properly so called". Such of them as were really of local weight and standing and could be called landlords, were recognised with perpetual ownership, and their estates are till to-day called "settled polliams". But for the rest they were a source of constant trouble,

and the authorities had to suppress them altogether. Sir Thomas Munro wrote: "the country is over-run with polygars. I am trying with the help of Dugald Campbell, General of Divisions here, to ged rid of as many as possible: but it will take some campaigns to clear them out." This was how the raiyatwari system in Madras originated.

(VII) Bombay.

Surat, Bharoch and Kaira were acquired from the Nawab of Surat and the Gaekwar of Baroda (as a result of the Maharatta war) during 1800 to 1805. Bulk of the rest was acquired after the war in 1818. Part of Belgaon was obtained by cession in 1818, and the rest was acquired from the Raja of Kolhapur in 1827. Satara was obtained by the deposition of the Raja in 1837. Some tracts of Poona and elsewhere were obtained by treaty with the Scindia in 1860. North Canara was previously part of Madras: and was transferred to Bombay in 1862. The nature and process of the acquisition of territories in Bombay, gave a peculiar development to its administration. But although, so diverse,—no system allied to zamindars, writes Baden-Powell, ever existed whether during the Hindu times or during Maharatta domination. The Hindu model—as in Manu—was however adopted to a very great extent, and the system of village headman and assessment by villages prevailed. Emperor Shah Jehan (1637 A.D.) introduced Akbar's raiyatwari system, which could easily be adapted to this system and Murshed Kuli Khan was employed on this task. When the Maharattas came into power, they continued the system, but with a new "kamal" assessment field by field, based on a classification of soils, with rates for dry crops at Re. 1 and Rs. 1-8 per bigha. It was thus natural with the British administrators to continue here the raiyatwari plan of Madras, when they made the first settlement in 1824-28.

(VIII) Berar.

The administration of Berar is now governed by the treaty of 1936 with the Nizam. But when under the treaties of 1853 and 1860 the country was under the exclusive management of the British Government, there was first an attempt to make village settlement on the N. W. Provinces (or the Central Provinces) model: but the conditions were so much allied to those of Bombay, that eventually raiyatwari method was adopted.[1]

(IX) Sind.

A system allied to Bengal zamindars had developed in Sind with the conquering chiefs (Jats and Rajputs)—"each ruling a

[1]It may be noted that this raiyatwari settlement in Berar or in Bombay, does not mean that the raiyat must be the actual cultivator. All that he is liable is to pay the assessed rent; and as this rent is high, he has little scope to sub-let on money rent. But the raiyat may and does often make over land to a cultivator on "batai" or metaiyer or division of the gross produce.

certain area of country, being often in a sort of feudal subordination to some greater Raja of the tribe, or in later times, paying tribute for retaining their possession under a conqueror" (Baden-Powell, Vol. III, 326). Gradually, privileged under-tenures also developed. But cultivation in Sind depends peculiarly on situation near a river or canal: while these chiefs or zamindars—already with small territories,—rapidly got divided up, with no more than a village or part of a village each. But still there were some who were zamindars in the proper sense: and in the first British settlement of Upper Sind, "where the zamindari right was clear, the settlement of the whole was offered: but the zamindar could not afford to pay assessment on the whole, and the offer was unfortunately declined, * * in 1875 the zamindars were offered leases of tracts including a certain portion of waste on general reduction of assessment (about 30 per cent.) but even this did not prove sufficiently attractive. They preferred to pay on what is called the "new system".—Baden-Powell, Vol. III, pp. 330-31. This gives the origin of the direct system in Sind.

(X) Assam.

The district of Goalpara and parts of Sylhet and Cachar were permanently settled along with Bengal. The Assam Valley and the hill districts in the centre of the province and also on the frontiers, present special features. The Ahom rulers claimed not only the soil but also the subjects as the king's property: and there was the practice not only of paying a land tax but also of personal service as labourer or otherwise. The nature of the country did not allow continuous cultivation, and the practice of fluctuating cultivation (jhum) presented another peculiar aspect. There was, however, a heirarchy of hereditary nobles and officials bearing titles as Phukan, Borwa, Bissoya, etc., who held lands: and where there were "landholders" in this way or otherwise, they were recognised: *see* Regulation I of 1886. But there were also good many as lakherajdars or nisf-lakherajdars. Excepting these the system adopted is essentially raiyatwari, though there may be leases under the Waste Land Rules.

60. I have given the above rapid sketch just to explain that the frameworks of the indigenous systems were maintained as far as possible everywhere, not only by the British administrators but also by Muhammadan rulers. The landlord system which we have in Bengal is not an exception: and it is a mistake to suppose that the zamindar is a creation of the British Government, or that he was a creation of the Moghuls or the Pathans. The term "raja" has often been confused with "king" as sovereign power. "Raja" also means a landlord, and in Bengal, as I have already stated, the relationship of landlord and tenant is still called "raja praja sambandha".

Revisions of settlement during Moghul time, moderate and at long intervals.

61. Lord Cornwallis' settlement fixed the land revenue demand of the State, permanently. I have explained in the beginning,—that from the financial point of view as between the State and the zamindar, it was a quite good business proposition in the circumstances of the time, though I would not belittle the other noble sentiments which actuated that measure. But judging from the history of the best period of Moghul Rule, it was not perhaps such a drastic innovation as may appear from modern ideas of State finance. The first settlement of Todar Mal in 1582 A.D. was for—

		Rs. lakhs.
Zamindari (khalsa)	...	63·4
Jagir	...	43·5
Total	...	106·9

It was not till 76 years later, viz., in 1658 A.D., that the next revision was made:—

		Rs. lakhs.
Previous zamindari territory	...	73·3
New territories	...	14·4
Jagirs	...	43·5
Total	...	131·2

The increase in the previous zamindari assessment was by Rs. 9·9 lakhs, or about 15½ per cent., after 76 years.

There was no revision for the next 67 years: after which Murshid Kuli Khan (1725), whatever his method, raised the previous zamindari assessment of Rs. 87·7 lakhs to Rs. 99·4 lakhs or an increase of Rs. 11·7 lakhs (about 13½ per cent.), after this long period.

The subsequent Subahdars, till 1762, never attempted a regular revision: but adopted irregular methods of subahdary abwabs with the ostensible object of meeting emergencies: like what is done for instance in times of war. If these be ignored, there was no revision till that made 38 years after Murshid Kuli Khan, by Cossim Ali who was made Nawab in 1763. It was thus rather during the first 25 years of the Company's administration that innovations of quinquennial and annual settlements were introduced.

62. But ignoring the period of disorder and experiments from 1725 to 1788, the net position was as below:— Summary.

Years.	Assessment.	Period intervening.	Percentage of enhancement.
1582 A. D.	106. 9 lakhs	..	..
1658 A. D.	131. 2 „	76 years	15½ per cent.
1725 A. D.	142. 9 „	67 „	13½ „ „
1790 A. D.	268 „	65 „	90 „ „

And this 90 per cent. was obtained in spite of the fact that immediately before, over one-third of the population had been swept away by famines and pestilence and about a third of the cultivable area had been reduced to waste and jungle. I will not revert to what I have explained already, that this was an assessment on prospective basis, with two assurances, *one*, that no portion of the increased rental from the untenanted waste lands would be claimed by the State: the *other*, that the revenue assessed was fixed for ever. If it be right that Lord Cornwallis should have at that time submitted to a reduction of the assessment by over half a crore at least, then only it may be said that he made an error. But it could not be that: and the measures which he took to protect the tenantry, threw all the risks on the zamindars and they suffered heavily for at least 20 or 25 years. Lord Cornwallis did not overlook that after this period of trial was over, there would be increased profits to the landlords from rent, and to the raiyats from the rise in the values of their produce. If it be right that measures which would tend to accumulation of wealth with individuals (whether landlords or raiyats), rather than increase in the State revenue from land, and thus accelerate the growth of the country's prosperity and consolidation of the British power in India, were wise at the time and laudable,—he must be given the fullest credit for what India, particularly Bengal, is to-day. I will try briefly to elucidate this object of the authors of the Settlement of 1793.

63. One avowed object of the Permanent Settlement was that, although there would be immediate hardships on the zamindars they, as well as tenants down to the cultivator, would, in course of time, acquire a real and substantial value of their interests in land: a consummation which—as at that time believed (it is true for all times)—would form the surest foundation of the wealth and prosperity of the people, so far as it could be laid on land. It may be said unhesitatingly that this object has been amply fulfilled. The statistics gathered in 1929 show that barring exceptional cases of high value, mokarari tenures are ordinarily sold at 25 to 30 times the annual rental profit, and where large areas are khas of the tenureholder, the year's purchase is higher. Private sales of

Object of giving a real value to landed property—amply fulfilled.

zamindar's estates during 1927-28 in the district of Dacca (excluding the high sales which were probably for town lands), gave ten years' purchase. A measure of the value of an ordinary raiyati holding may be had from the net annual value which I have estimated at Rs. 24 per acre average (para. 25). This should give a market value of Rs. 480 to 600 per acre (at 20 to 25 years' purchase) when sold to another raiyat who would cultivate himself. It will be lower when sold to a person who would think of deriving an annual value only by letting out to tenants. The variations in the price actually derived will depend on circumstances such as availability of persons able and willing to buy in the locality. It would be interesting if satistics could be obtained of what the raiyats in other provinces get by sale or mortgage where the raiyatwari or temporary settlements prevail. Surely with a rent of one-fourth or even one-fifth of the gross produce (subject again to sure increase at regular intervals) which leaves no more than Rs. 15 or Rs. 16 per acre as the net annual value, market value to the raiyat must be only about half of that in the permanently settled areas in Bengal, if not less.

Greater staying power of the Bengal raiyat in times of distress.

64. This property value with the raiyat, gives him a definite steadying power in times of scarcity or other distress. He finds it easier to raise money on its security, while with the higher margin he has from the produce, he can make up when the scarcity is over. It relieves the State from that worry and financial assistance, which is a constant anxiety in raiyatwari and mahalwari provinces. This aspect of the question has been so fully explained in the well-known open letters of Mr. R. C. Dutt to Lord Curzon in 1900 and 1901, that I need not repeat the details of facts and figures given by Mr. Dutt. Lord Curzon's Government announced a general policy of adopting the Saharanpur rule of "50 per cent. of the assets" in the case of landholders with whom Government would make temporary settlements: but with regard to the raiyats, the sentiments expressed were vague and unsatisfactory. But they cannot be blamed for this, because the statistics furnished to them were generally inaccurate. For instance, it was reported from Bengal that the raiyat's rent here was one-fifth of the gross produce or little less than that: while we know to-day that it is one-fourteenth to one-sixteenth of the gross produce. The rule which the Government of India indicated in 1902 was, to state generally, that the raiyat's rent should approximate half the net value of the yearly produce: i.e., value after deducting cost of production.

Rule of half the net produce —how it would operate in Bengal?

If this were followed in Bengal, the raiyat's average incidence of rent should rise from the present Rs. 3 per acre to Rs. 10 or Rs. 12. The Taxation Inquiry Committee's recommendation is that this rent should be on a comparatively low standard of one-fourth of

the "annual value": and by "annual value" they meant "the gross produce less cost of production, including the value of the labour actually expended by the farmer and his family, and the return for enterprise." Taking this at half, the Taxation Inquiry Committee's recommendations give a rate of one-eighth of the gross produce.

65. The Taxation Inquiry Committee's view is that in the conditions here both the zamindars and the raiyats are possessors of property right subject to the payment of land revenue: or in other words, as Baden-Powell has observed, land is as if hypothecated to the State as security for the land revenue assessed on it, and by way of that for the rent of the raiyat from which this land revenue comes. There is no use going into the abstract discussion whether in such circumstances, this levy is a tax or rent: it is only, as the same writer observes, a "profitless war of words". But as the question of what ought to be the proper measure of the "rent" which the raiyat may be expected to pay, and for the enlightenment of those who think that the raiyat's distress in Bengal is due to the rent he pays, it will be well to examine how assessment is made in provinces where other systems prevail. I am taking figures from the "Land Revenue Policy of the Indian Government" published in 1902: but since then rents must have gone up further.

What is the proper rent of a raiyat?

66. *First*, with regard to raiyatwari areas:—

(*i*) *Madras*:—In the raiyatwari area, the rent is assessed at half the cultivator's price (this is about 25 per cent. less than the trader's price) after deducting from it certain percentages for vicissitudes of the season and expenses of cultivating. The cultivator's price is supposed to be taken on an average of 20 non-famine years. The proportion of deduction varies according to circumstances, and apparently much depends on the personal equation of the Revenue Officer. However, the assessment at the first settlement of 1805 gave averages of as much as Rs. 11-1, Rs. 3-10, and Rs. 21-9 per acre for wet, dry and garden lands in the Southern Division, and Rs. 15-3, Rs. 3-12 and Rs. 18-9 in the Northern Division. The rates were, however, moderated later, and still the result in 1900 was Rs. 4-15-2 per acre for wet and one-half extra for a second crop, i.e., a rate of Rs. 7-2-9 per acre for dofasli lands. (Madras Board of Revenues' letter of 6th December 1900 appended in the Land Revenue Policy.) Yet, the money value of the gross produce of the first sort of land then was no more than Rs. 33-12 per acre.

Raiyatwari area of Madras.

(*ii*) *Bombay*:—The background in the raiyatwari areas here was the high assessment of the Maharatta time—at half the gross

Raiyatwari area of Bombay.

produce. Section 107 of the Bombay Revenue Code of 1886, laid down:—"In revising assessments of land revenue regard shall be had to the value of land and, in the case of land used for the purpose of agriculture, the profits of agriculture."

The increased profits from the improvements at the expense of the tenant were to be excluded. There was or is no rule of proportion to the gross or net produce as in Madras. The materials relevant for consideration were prices which the miras tenant got by sub-letting and so forth. The Bombay Government reported in 1901 that, to state generally, this incidence of rent did not exceed one-sixth of the average gross produce of a series of years. In the highly assessed parts of Broach, Kaira and Surat—it was as high as 20 per cent.: and in the poorer parts of the Deccan—5 to 7 per cent. of the value in a normal year which was equivalent to one-eighth or one-sixth of the average produce of a number of years.

Raiyatwari area of the Punjab.

(*iii*) *Punjab*:—Half the area of the Punjab is held by owners directly under Government. No particular fraction of the gross produce is prescribed as the limit of the owner's rent: but it is said that the incidence "nowhere exceeds one-fifth." (Punjab Settlement Commission's Report, dated the 30th November 1900 in the Land Revenue Policy."

Raiyats' rent in the temporarily settled areas in other provinces.

67. Next, with regard to the mahalwari or malguzari areas (equivalent to temporarily settled estates), the general principle is to take the actual rents paid by the raiyats and a valuation of the khas lands, and then to calculate the proportion (50 per cent.) for the Government revenue. But it would naturally be apprehended that there would be less restriction to the landlord's scope for enhancement of the raiyat's rents during the interval between two revisional settlements: and the Settlement Officer may even treat the actual rents as too low. For instance in the N. W. Provinces at one time the rental adopted "was not necessarily the actual rental, but an estimate of what the rental should be under proper management. If the Settlement Officer thought the rents too low, he assumed that the landlord could or should raise them, and assessed them on the supposition that they were raised to his standard." This rule has now been set aside and the Settlement Officer "does not, except in the case of gross fraud or negligence, go beyond the ascertainment of the rent actually paid". In the Punjab, however, the rule (as stated in the Land Revenue Policy) is that the basic rent is to be the rent paid by a tenant-at-will. The result of this would be that the rents of the other tenants would be levelled up by the landlord to those of the tenants-at-will. In the Central Provinces, the Settlement Officer takes account of such

immediate enhancement of the raiyat's rents as he deems reasonably possible, and estimates the real letting value by such tests and comparison as is possible for him. He then fixes his revenue on the assets so estimated. It will be illustrative to state that the revision of the 30 years' settlement made about 1898, gave an increase in the raiyat's rental from Rs. 52·23 lakhs to Rs. 75·17 lakhs or about 50 per cent. The incidence of the rents of the raiyats in these mahalwari areas, varies, it would seem, from one-half to one-fourth or one-fifth of the gross produce, and in the Central Provinces, in by far the greater portion, 14, 15 and 16 per cent.: in Nagpur—9 per cent. (Land Revenue Policy—pages 65, 66, 88, 75 and 121.)

Permanent Settlement leaves the Government more free to restrain the landlords.

68. A Permanent Settlement of the State demand, leaves the Government more free to restrain the landlords in the matter of the rent of the tenantry: at any rate will always carry the impression in the minds of the public that it does. It is unfortunate that for many years, till the direct assumption of Government by the Crown, a contrary view prevailed with the authorities, many of them were so much prejudiced against Lord Cornwallis' measure, that they thought that the Permanent Settlement had thrown up a stone-wall between the officials and the tenantry: and that so long as the revenue was safe they had nothing to do.

Have the zamindars failed to fulfil their part of the terms of the Permanent Settlement?

69. So far as the zamindars are concerned it is impossible to say that they have not substantially fulfilled their part of the terms of Permanent Settlement. The first was that they must pay the land revenue punctually, without any excuse. It is however no credit to the zamindars that they have fulfilled this obligation: for, it was enforced by the rigorous Sale Law. Where they failed they lost their estates. The Government have at times allowed suspension or postponement of payments when there was distress, but it has only been a matter of leniency on their part.

Treatment with the tenantry:

70. As regards treatment with the tenantry, the Regulations categorically indicated how this should be: see paras. 18 and 47 *ante*. The history of the legislations regarding granting of patta does not show that the zamindars were obstructive. The main causes of the failure were, firstly, that the old tenants would not to take pattas: and, secondly, because the plan as it was framed could not succeed. At the last resort, the authorities had to stop by asking the zamindars to publish a table of pargana rates in the Collectorates. But the other and the more substantial part of the plan which it was open to the zamindars to do, was to fix the rents in specific sums consolidating the abwabs already imposed. This they did: and I am not aware of any record or reference in any of the Regulations that they neglected. It was on the other hand

(I) Granting of pattas.

a negligence on the part of the Company's Government not to have forthwith started an authoritative record of the tenant's rents and lands, when their patta plan gailed, in spite of the strong observations of the Directors so far back as 1815.

(II) Enhancement of rent.

It was enjoined that the zamindars were not to cancel pattas of khudkasht raiyats except on grounds of fraud or collusion or for adjustment of rent to area: and it was also enjoined that the rents of the new raiyats would be limited to the pargana rates established at the renewal of their leases. I am not aware that they, to state generally, violated these directions. On the other hand, in spite of the facilities afforded to them by the positive law in section 5 of Regulation XLIV of 1793 which laid down that all tenancies stood cancelled on the revenue sale of an estate (*see* para. 20 *ante*), and the wide scope given for levelling up rents till Act X of 1859, the fact remains that the incidence of the rent of the raiyats (including those created in all these years) averages no more than only 50 per cent. above that in 1793 A.D.: while prices alone, leaving apart other considerations, have risen over 6 times.

(III) Kists and accounts.

The zamindars were to fix kists according to the season: and this they have done, and to state generally, they have also been giving receipts for rent. Presumably, their employees were keeping generally correct accounts, for else the patwari plan with a corresponding duty of the Collectors to inspect accounts and bring wrong-doers to justice would not have been dropped.

(IV) Abwabs.

The only matter in respect of which the zamindar cannot escape blame, is exaction of abwabs. There was a good deal of outcry for many years, but it is curious that the authorities stood by all the time, and even when Act X of 1859 was passed, the penalty for realisation of abwabs was substantially reduced (compare section 10 of that Act with section 55 of Regulation VIII of 1793). Abwabs, however, have long ceased to be an "exaction", allowing that it cannot be expected that amongst half a million estates and three times as many tenures, there would not be some exceptions of impropriety in conduct. To a large extent these are of the nature of tips to the landlord's staff or bribes to gain a private end, or some facility in their business. On the other hand I am not aware that the landlords realise the charge of 4 annas for a receipt showing arrears, as is permitted by section 57 (2) of the Bengal Tenancy Act.

Voluntary resort to zamindars.

71. Yet it cannot be said that abwabs as nazarana or as fee for a settlement of dispute did not prevail at one time. The worst picture is given in "a zamindar's diary" in the Bakarganj Settlement Final Report of a time over 30 years ago. The raiyats flocked to the zamindar for settlement of their petty disputes, and

obtain a sort of rough and ready justice for which they paid a nazarana or dastur. To what extent this was a relic of the olden days—we need not enquire. But Mr. Beatson Bell put the question—"why did the raiyats come to the zamindar at all?" I would not go into the details of his answer: but only mention another part of this same anecdote, when, as Collector of the district, he had to meet the raiyats of an estate which had been taken under direct management. They said that they were all happy —but who was to settle their petty disputes?—they could not afford to go over a dozen rivers and khals and meet the expenses of the law courts. In the physical conditions of that district, even in his time, the machinery of the administration of justice, was not within the reach and means of the peasantry in a manner they needed. This difficulty was felt more keenly soon after the Regulations of Lord Cornwallis, when these functions of the zamindar were suddenly taken away. I need only mention here the recorded papers and enquiries which were made in the earlier part of the last century and from time to time later, about the inadequacy of the judicial machinery. The conditions have however materially eased off by the facilities of journeying which have developed throughout the country. But if these ways did continue for many years—(I do not justify the zamindar),—it reads rather surprising that the authorities took no measures to stop them: and they cannot altogether escape the charge of having been a contributory party.

Salami on transfer.

72. Another allied matter is salami on transfers. It is hardly a part of the terms of Permanent Settlement: the question did not arise at that time at all. No right of transfer by a raiyat was, as I have stated before, recognised in the earlier periods. It was not recognised in any of the Regulations. Even Act X of 1859 did not recognise it: and when there was a decree for arrears of rent it could be executed by seizure and sale of crops or other goods or the huts of the tenant, or by ejectment, i.e., the lands would not be sold. But by this time, with the changed conditions, raiyat had begun to have a real saleable value for his interest. By the time when the next Tenancy Bill came, it became a moot question. Judging from previous history, it was recognised that the landlord had the choice of his tenant, which of course meant a valuable consideration for recognition, call it salami or premium. It was thus that the option of a pre-emption right was introduced in the first Bill of 1883. This provision was dropped, but no right of transfer was recognised either, except where it oculd be proved by custom. The intentions of the Bill of 1883 were revived in 1928. By the amendment of 1938 the

raiyats have now full right of transfer and are not liable to pay any salami, only the purchaser has to give notice to the landlord, and the pre-emption provisions were taken out. In the view taken by the authorities as to the intention of previous laws and regulations (viz., that the landlord had a right in the choice of his tenants) the fact that the zamindars had for some time been realising a salami, as the price of recognition of a new tenant, cannot be said to have been any violation of the terms, express or implied, of the Permanent Settlement. On the other hand, the recognition of free right of transfer by the Act of 1938 has been a curtailment of the privileges of the landlord which the Permanent Settlement did not intend to curtail. I am not to be understood by this that I am opposed to this free right of transfer: on the other hand I think that it cannot be resisted—and in one sense it is necessary so as to ensure to the raiyat the full benefit of the value which his property has acquired in course of time. There was a half-way recognition in the Act of 1885, when sales were permitted in execution of decree for arrears of rent.

Choice of tenants generally.

73. On the question of choice of tenant generally, the Permanent Settlement Regulations did not contemplate any with regard to the then existing khudkasht raiyats except when by reason of fraud or collusion or the raiyat not agreeing to equalising the assessment of rent on a measurement, his patta would be cancelled [section 60 (2) of Regulation VIII of 1793]. For the untenanted land the zamindar had the full power to dispose of them in any manner he liked (section 52 of Regulation VIII of 1793), and of course the first tenant would be according to his choice. Later, the tenant might hold on by a renewal of his lease, if he agreed to pay at the rate established then (section 7 of Regulation IV of 1794): and if he did not so agree, the zamindar had the right to chose a new tenant. Again in both classes of tenants, the zamindar was given the option of choice when there was a sale of the estate for arrears of revenue (section 5 of Regulation XLIV of 1793). I have already explained how these powers of choice have been gradually curtailed by various legislation and finally by the Act of 1938.

Improvement of estates and good conduct towards tenantry.

74. The Proclamation of the Permanent Settlement, also mentions two matters generally, viz.—

(1) that it was expected that the proprietors would exert themselves in the cultivation of their lands (marginal note "to improve their estates"); and

(2) that they should conduct themselves with good faith and moderation towards their tenantry.

Regarding the latter it was explained that this was a matter of "moral duties at all times". It was only a general statement of a rule of conduct for any gentleman when dealing with any person. But as a legislation, the Regulations did not stop short with a mere platitude, but accompanied it with categorial mention of what this conduct should be (paras. 18 to 47 *ante*). From what I have already said, it is impossible to say that the zamindars have not generally treated the tenantry with good faith and moderation in the sense as elaborated by the various categorical provision in the Regulations.

Regarding the first, it was obivously more or less of the nature of an advice partly, and partly as an explanation why the State was not reserving any share of the fruits of extension of cultivation or of improvements by the exertions of the zamindar. If any zamindar did not act up to the advice, he simply lost the benefits, or perhaps his estate altogether. It was an additional "excitement", as Lord Cornwallis said, for what the zamindar would do for his "self-interest". It is difficult to apportion at this distance of time how much of the reclamations of waste and jungle was due to the zamindar's exertions, and how much to individual cultivator's enterprise. In the beginning the task was not easy. With one-third of the agricultural population swept away, it was difficult to find men to cultivate new lands. Attractive terms and low rents had to be offered (*see* Preamble to Regulation XLIV of 1793), and the old records show how "kidnapping" of raiyats by one zamindar from another zamindar's estate was common. In places these reclamations required men of enterprise and money, and I have already explained how many of the tenures in the 24-Parganas, old Jessore, Bakargunj and in the northern part of Bengal originated in this way. Most of the private embankments in the southern parts of the present Howrah district owe their origin in this way. The natural presumption would be that with the Government revenue pitched so high on them, the zamindars must have exerted their utmost to stabilise their finance: and where they failed, they lost their estates at revenue sales, and others more "industrious" took their place. Gradually, but not till after 40 or 50 years, the conditions changed, and the table was turned: and it is not unnatural that one should forget to-day what happened in the early fifties of the last century.

Landlord's part in economics.

75. But a question has been asked—what part have the landlords played in the economic development of the country since the Permanent Settlement? So far as the terms of that Settlement go, or even generally so far the question is one relating to the relation of landlord and tenant,—it will have appeared from what

has already been explained, that it cannot be said that the zamindars have failed in any grievous manner, to do what was required of them by the Permanent Settlement or what they could possibly do. It is to their credit that the zamindars as a class, have not made a selfish appropriation of the entire rental of the raiyats. A good portion of this rental is distributed amongst the tenure-holders and under-tenureholders, and goes towards the support of about four millions of the population (*see* paras. 39-41 *ante*). In the development of this middle class,—the intelligentsia of Bengal its leaders in culture, art and literature, and in as much of the trade and commerce for which they had a scope,—the zamindars cannot be said to have not been a contributory party.

Question of annulment or modification of the Permanent Settlement.

76. On the question of annulment or modification of the Permanent Settlement,—it will be a bad argument to say that it is justified by any default on the part of the zamindars. Even if they be thought as having failed in any respect, the obvious remedy is for the Government to take action to enforce compliance, and thus redeem what Government must then be taken to have neglected for so many years. But as I have said, I do not find in what material respect the zamindars have been guilty.

The constitutional aspect.

77. Any such question raises at the outset a "constitutional" point of importance. The foundation of every good Government is the confidence which the people have in its acts: particularly so where property and property rights have developed and people have parted with their monies on the faith of such acts. Many of the present day zamindars are purchasers who paid for their purchases in the belief of inviolability of the assurance of the Permanent Settlement: and many arrangements between the zamindars and the tenantry (such as patni, mokarari tenures, mokarari holdings) are founded on this assurance. Any Government which lightly upsets all these arrangements in which several millions of its subjects are concerned, cannot expect to have any confidence of the people in whatever act it may do now: and the result may be disastrous.

For whose benefit? The raiyat or the State revenue?

78. I do not mean by this that an old order can never change, and that the State cannot fulfil itself in other and better ways: but the necessity of such a change must be clearly and definitely demonstrable. The most pertinent question which thus arises is —for whose benefit is this change to be made? For the raiyat's, or solely for increasing the revenues of the Government? It can well be envisaged that a change, whether by wiping out the landlord class, or making the revenue assessment enhancible from time to time, will not, so far as the burden of rent goes, benefit the raiyat. There are bound to be plans either for removing inequalities in the

Raiyat's burden of rent bound to be heavier.

incidence, or for fixing fair rates according to the theories of "rent" which may be accepted from time to time. In either case the burden will become heavier: and there will be no buffer between the State and the raiyat.

Expropriation without compensation is impossible.

79. Assuming that the zamindari system is abolished, I do not believe that it can be seriously argued that the landlords should go out without proper compensation. Such general expropriation was never thought of by the most autocratic monarch in India. It is repugnant to ideas of individual rights of property—whether ancient or modern, in this country. The Government of India Act does not recognise such expropriation, and even the Regulating Act of 1784 (24 Geo: III Cap. XXV) provided for redressing injuries which might have been done to the landholding classes during the experimental period of the Company's Dewani. The ruthless Soviet plan of expropriating the *kulaks* is not limitable: and it has to be remembered that once the devil is raised, it will continue its ravages. Its next turn will be, as has happened in Russia, the raiyats themselves,—first those who are well-to-do amongst them, and then *en bloc*: and then the *kolkhoj* with complete abandonment of individual rights in land,—all being labourers in a collective farming. I will not go into the merits or demerits of the idealism behind this movement: but will say simply that this country is not prepared for it, or even for being put into the path which may lead to it.

Logically, the theory should first apply to revenue-free lands.

Taken to its logical sequence, the first objective of the application of the theory would be the holder of revenue-free lands (we are scrapping all past promises). They have lesser claim to hold without payment of revenue than the zamindars at a fixed assessment. In the 14 districts I have mentioned before, there are over two million acres of such lands, and probably for the whole province their area is over three million acres.[1]

Incidence of land revenue varies in different districts.

80. Before proceeding to examine what would be a proper compensation for the landlords, it will be well to state that although 9 annas has been taken to be the average incidence of land revenue of the permanently settled estates per acre, this incidence varies considerably from district to district and amongst different estates in the same district. It is highest in Howrah, viz., Rs. 1-14-10, in Burdwan it is Rs. 1-7-3, in Chittagong Rs. 1-5-3, in 24-Parganas Rs. 1-2-4, and in Hooghly Rs. 1-0-10. These are what were the old ceded districts of 1760 A.D. In Tippera it is

[1] I include the rent-free tenures and rent-free holdings, the bulk of which may be presumed to be really revenue-free having been excluded from the Permanent Settlement assessment, but only left within the zamindaris because they were less than 50 bighas in one claim.

10 annas and in Noakhali annas 9-7. The incidence is lowest in the eastern districts:—Mymensingh annas 3-4, Dacca annas 4-4. In the central and northern districts the incidence varies from annas 5-4 to annas 7-9. In Murshidabad it is annas 12.

Estimate of compensation —(A) for the lands held by the raiyats.

81. For estimating a proper compensation for the landlords, it will be well first to take the total area of the permanently settled estates in two parts, viz., (*a*) the lands which are let out to raiyats now, and (*b*) the lands in the khas possession of the zamindars and tenureholders.

The total area let out to raiyats (including under-raiyats) in all classes of estates (viz., permanently settled, temporarily settled, khas mahals and revenue-free estates) is, according to Commission's Statement VIII, 31·1 million acres. Taken proportionately for the permanently settled area (excluding 2,760 sq. miles of revenue-free estates also) the raiyati area will be about 25·19 million acres. The gross rent at Rs. 3 per acre for this area would thus be 7,557 crores of rupees, and the net profit of the landlords of all grades (after deducting 15 per cent. for cost of collection and management, and 9 annas per acre as land revenue), would be Rs. 5 crores. I think 16 years' purchase may be taken as average, and the total amount required will thus be 80 crores of rupees.[1]

If it be possible to float a perpetual loan at 3½ per cent. at par, the State will have to carry a perpetual recurring annual charge of Rs. 2·8 crores, besides having to spend about 4 crores (viz., 5 per cent.) during the first 8 years for the cost of establishment for the proceedings and the additional judicial machinery which would be necessary to settle disputes about title to receive payment. Apart from the question whether it will be possible to float such a loan, it is a matter of very doubtful expediency that the State should burden itself with a perpetual charge of this nature. If the loan is to be made repayable after say 30 years, a further annual provision of sinking fund of Rs. 1·55 crores would be necessary. This is on the assumption that the sinking fund would be invested also at the same rate of interest, viz., 3½ per cent. At the ordinary bank rate of 1½ per cent. it would be necessary to have about Rs. 2·14 crores. The cost of direct collection and management by Government at 15 per cent. would be Rs. 1·14 crores a year.

[1]In acquisition of agricultural lands in England, the year's purchase is usually taken on a security of interest at about 1 per cent. less than what the Consols at the time being yield. In Calcutta, the 3½ per cent. Government paper is selling now at Rs. 97-8 or say at about par. The number of year's purchase, even at the same security, would be about 28·6, say 28. It is however the practice in land acquisition in Bengal to give 20 years' purchase: and allowing for the special nature of the problem, the year's purchase may be put at the lowest at 16: but it is suggested that fuller statistics of the year's purchase actually obtained by zamindars and tenureholders in private sales should be ascertained.

The net position will thus be:—

	Rupees in crores.	
(i) if there be a perpetual loan—		
Gross receipt		7·557
Outgoings—		
Cost of collection, etc. ..	1·14	
Interest	2·80	3·940
Balance ..		3·617

Deducting the present proportionate land revenue of Rs. 1·416 crores, there will be an apparent surplus of Rs. 2·2 crores. For the first 8 or 10 years, there will be a further charge of about half a crore a year. But against this apparent surplus will have to be set off inevitable periodical remissions under State management, and also reduced percentage of collection as against about normal 95 per cent. collection of the current demand in permanently settled estates. I think in Madras, the annual remissions amount to about 33 per cent. Even taking at 25 per cent. for the two heads, almost the whole of the apparent increase would be swallowed up, leaving little or nothing for any improvements for the benefit of the agriculturists.

(*ii*) *If a repayable loan is floated*:—The position will be worse: for, the annual outgoings will increase further by Rs. 1·55 or 2·14 crores.

Scheme of State purchase not financially practical.

Any scheme of State purchase of landlord's interest would not thus seem to be a financially feasible proposition. It gives no benefit to the raiyat: for, Government will have no surplus for any work of improvement, even by the ordinary enhancement of the raiyat's rent for rise in prices.

Regarding next (*b*)—viz., lands in the khas possession of the zamindars and tenureholders, the proportionate area in the permanently settled estates may perhaps be taken at about 12 million acres. These would comprise some cultivated lands, but the greater portion would be uncultivable lands as roads, drains, waste, jungle, beels, etc. It will obviously not be worth while to pursue these khas lands for increased assessment, after paying a compensation for the increase.

Conversion to temporary settlement.

82. The other scheme suggested for consideration is conversion to temporary settlement. This seems at first sight attractive, but it can be financially feasible only if no compensation is paid to the zamindars and the patnidars and the mokarari tenurehollers, whose revenues and rents would be increased against their existing arrangements. The gross assets of Rs. 12·64 crores estimated in

the Commission's Statement X, include, I take it, temporarily settled estates and khas mahals. The gross assets in the permanently settled estates and revenue-free estates, would thus be Rs. 10·7 crores: against which the Government revenue is Rs. 2·15 crores. If the assessment be put at 50 per cent. according to the Government of India's general policy (i.e., leaving no more than 50 per cent. to the zamindars and all grades of tenureholders as their allowance), there is an apparent immediate prospect of a gain in the State revenues of Rs. 3·2 crores. But here also several other matters have to be considered:—

(*a*) compensation for the loss of profit to the zamindars and tenureholders;

(*b*) liability for remission in times of drought, inundation or other natural calamity;

(*c*) immediate cost of a revisional operation;

(*d*) periodically recurring cost of similar operations: say at intervals of 30 years (Saharanpur rule); and

(*e*) risk of the landlords availing of the enhancement rules more extensively.

Scheme not feasible or advisable.

I have already expressed my views that proper compensation ought to be paid for expropriation of present profits or any portion of them; and it is obvious that if this is done this scheme also will not be financially feasible. There may, however, be one possible way of meeting this compensation. The obligation under the terms of the Permanent Settlement for punctual payment without excuse for drought, inundation or other natural calamity may be relaxed, and the allowance may be increased midway say 70 per cent. This would give a revenue of Rs. 3·21 crores or an increase by Rs. 1·06 crores. But, the practical application of the first relaxation will be fraught with difficulties, if it is expected that the landlords should as a corollary allow corresponding remission to the tenants, items (*c*) and (*d*) are also important for consideration; while generally the revenue staff will have to be increased. But the risk in the last item (*e*) of more extensive enhancements of the raiyat's rent is a real one; and it is extremely doubtful whether the raiyats will be benefitted at all in the end. In any case, Government will be forced, for the security of its revenue, to afford greater facilities for enforcing punctual payment of rent by the raiyats. On the whole I do not think that this scheme is either feasible or advisable.

Revenue-free lands.

But there is another aspect in this last scheme, viz., what I have observed with regard to revenue-free holders in connection with the suggestion of expropriation without compensation. If

the plan be carried to its logical sequence, the same observations will apply whether compensation is denied altogether or only partially allowed. It is bound to create widespread disaffection, which I think it is not desirable that the Government should face.

Agricultural Income-tax.

83. The third plan suggested is for the imposition of an agricultural income-tax. It is difficult to say that such an impost will not be an infringement of the terms of the Permanent Settlement. To put it bluntly, it will be an impost of the nature of the Moghul abwab in addition to the asal jama, only that the imposition will vary according to the income of the person, and not according to the income of an estate or tenure. When the road and public works cesses were imposed in Bengal, there was strong opposition by the landholders; but the objections were overruled. The reasons are fully explained in the Secretary of State's (Duke of Argyll) Despatch in 5—Ed., dated the 12th May 1870, and I would not repeat them here. Assuming that the view then taken was correct, a tax on profits from agricultural lands, can only be justified as a "local rate" meant for specific local purpose, and not a "tax" which would merge as the ordinary "public revenue" of the State which the State may use for any purpose of its ordinary administration. This was the clear limitation with which the imposition of road and public works cesses was approved. The purpose of these cesses then put forward was—"providing from local sources the means of extending elementary education among the masses of Bengal, and of constructing and maintaining roads and other works of public utility". The utmost that can be stretched is that if any impost is made on agricultural (which includes rental) profits from land for which a Permanent Settlement of land-revenue was made in 1793, it can be made with similar limitation, i.e., not as an addition to the land-revenue, or to the ordinary public revenue, but as a local rate meant exclusively for a specific local purpose. Considering that the resources from the existing cesses are not sufficient for proper measures for extending elementary education amongst the masses—(a large proportion of whom, in spite of these cases being in existence since 1870, are still illiterate)—and also that in places it is necessary to provide for agricultural improvements,—I think it will not be inequitable to ask those of the community who are directly concerned with the agriculturists and who are better off, to contribute towards these objects. But one important subject I would add for the purpose of this levy,—and that is provision for organised development of local industries and marketing of the products of such industries. I am confirmed in my belief that unless such occupations are made available to the village people,

the economic problem will never be solved. I would therefore insist on this aspect of the levy and its use being made definitely clear. Otherwise, if it is sought to be imposed only for the purpose of augmenting the general revenues of the State, it will have no justification from any point of view. I would rather avoid the use of the word "income" lest it be confused with the ordinary "income-tax" which is an ordinary revenue of the Government.

It is difficult to say what the probable receipt may be from such a cess. No data have been furnished. But the basis being the "person", all the landed properties of the same person will have to be brought together. Returns will have to be called for, from persons appearing to derive a profit above the minimum limit, and these may be verified from whatever records the Collector has. I would put this limit at Rs. 2,000, taking simply the difference between the rents (including valuation of khas lands) actually received and the rents or revenues actually paid, less 15 per cent. of the collections.

84. On the questions about further amendments of the Tenancy Law,—I would suggest the following:—

(1) *Co-sharer landlords*:—The law should be simplified. It has to be remembered that it is not only that the landlords themselves feel difficulty in realising rents, but there is often greater difficulty in the tenants to pay rents. It is idle to expect that more than half the tenants should combine to apply to the Collector, and then wait on the Civil Court for adjudication about a common manager. The Collector should be given power to act on his own information and to appoint a common agent to realise rents for the co-sharers. It may read drastic, but the evil is growing to be serious. When a raiyat is not able to pay at a time when he has just been able to scrape out a small sum, and his arrear accumulates to 3 or 4 years' rent, he finds himself in deep water—and runs into debt or sells or mortgages his land.

(2) *Limitation of rent suits*:—It is a cruel mercy to a raiyat to let him accumulate rent for more than two years. In spite of the low incidence of the rent, he has very insufficient land for his needs. The result is that many raiyats are perpetually in arrears. He is forced to seek the indulgence of the landlord's gomostha to accept a part-payment, or is forced to face a rent suit with 4 years' arrear and its consequences. The period of limitation for rent suits should be reduced to two years: and in the meantime some organised measure should be taken for arrangement for paying off the accumulated arrears.

(3) *Tender of payment*:—The rules about tender of payment in section 54 are useless. A tender can be made only for "the rent payable *for the year* at any time *during* the year *before* it falls due". The words in italics show that no tender can be made of part of the rent of a year, and no tender can be made for arrear rent. As a matter of fact, the raiyat does not pay rent in part, and also arrear rent voluntarily: but for this he has to hang on the indulgence of the gomastha. If he finds obstacles in paying what little money he is able to spare at a time, he begins to fall into arrears.

(4) *Rent suits*:—The procedure of rent suits requires to be simplified and made less expensive for the interest of both the landlord and the raiyat. It is striking that even in an uncontested case, the raiyat has to pay thirty per cent over his arrears. Protracted procedure in rent suits, or in execution proceedings, does more harm to the raiyat than the landlord. It increases the costs, but ultimately the raiyat has to pay the major part of them.

85. In concluding I must apologise for the length of this note. But the subject is of the greatest importance as it vitally affects millions of people. The Commission has put down 93 questions, and with their sub-questions, the number will probably exceed 200. The questions necessarily traverse a very wide field. It is undoubtedly true that the conditions of the peasantry are far from what they should be: and they are so, in spite of the very low incidence of rent which the raiyat has to pay. The primary object of the questionnaire, as I take them, is to find out whether there is anything radically wrong in the land system for which this is due. I have tried to explain my sentiments—which will be summed up if I say that the real cause of this distress is not in the land system or the rent which the raiyat has to pay, but it lies in the absence of subsidiary occupations. Those actually required for agriculture have no occupation for half the number of days in the year while there is a surplus population who have no work. The remedy should therefore be sought for, in finding work for these people: in other words, organised effort for providing subsidiary occupations. It is a mistake to suppose that Bengal does not afford field for industries: and that its trade is only such as is afforded by its situation as door-way to foreign trade. Bengal has been noted from the earliest times for its indigenous products of fabric and other goods mentioned by the ancient Greek travellers. We find mention of its trade, from whcih the people were flourishing, in the early Sanskrit literature. It had trade with Malaya and the far-off islands much earlier than the Chinese travellers (*see* History of Malaya by R. O. Winstedt, London, 1934). The accounts of Huen-Tsang also show how the people flourished from

trade by sea in the products of local industries: and Fa-hien travelled to China by ship straight from Tamralipti (Tamluk). The account given by Ghulam Husain in his History of Bengal (Riyazu-s-Salatin) written probably about the end of the 18th century, shows that Bengal had direct trade connection with Persia not only during the Pathan period but earlier. There is a good translation of this book with excellent commentaries and references in the foot-notes by Maulvi Abdus Salam, a member of the Bengal Civil Service.—Abul Fazl in his Ain-i-Akbari (1603 A.D.) mentions the cotton fabrics of Bengal, and says that the locally manufactured hempen carpets were "so beautiful that they seemed to be made of silk." With their trade, the same historian says, the people of Bengal brought "diamonds, emeralds, pearls, agates and cornelians from other countries to the sea-ports of this Subah". I have already mentioned of the extensive industry in salt which at one time used to bring one crore seventeen lakhs of rupees as the Government revenue alone. With proper development, it may perhaps be possible even now to derive one crore as the State-revenue, besides another crore for the net wealth of the people.

Replies to Questionnaire by Rai M. N. Gupta Bahadur, M.A., B.L., B.C.S. (Retd.).

(*Supplement to the General Note, dated 27th January, 1939.*)

Q. 1. (*See* paras. 1 to 13 of the General Note) Regulation I does not give complete indication of the objects of the Permanent Settlement.

The *quid pro quos*, as stated in (*a*) and (*b*), are correct. As regards (*c*), the zamindars' duties towards the tenantry were categorically stated: (*see* paras. 18, 47 and 74 of the General Note).

The duties and obligations of zamindars, as described in the question, are not exhaustive; and the Permanent Settlement with zamindars did not take away any existing rights from the tenants (*see* paras. 16 to 18 and 47 of the General Note).

Q. 2. (*See* para. 73 of the General Note.)

Q. 3. (*See* paras. 12, 63-64, 69 to 74 and 75 of the General Note.)

Q. 4. (*See* paras. 42 to 60 of the General Note.)

Q. 5. Tenants were represented by the Government and came better off (*see* paras. 16, etc., of the General Note).

As for assessment of the Permanent Settlement, *see* paras. 76 to 82 of the General Note.

Q. 6. (*See* paras. 12 to 15, 38 and 76 of the General Note.) This was a matter of self-preservation for the zamindars.

Q. 7. The figures are not correct. The gross raiyati rental of the entire Subah at the time of the Permanent Settlement was not more than Rs. 2·45 crores (*vide* paras. 8-9 of my General Note): and for the present Bengal districts not more than Rs. 1·97 or say 2 crores.

The total cultivable area (assessable) in the Subah at the time of the Permanent Settlement was 11½ million acres. Taking proportionately, the cultivated area then in the districts of Bengal proper may be taken at 9 million acres. To-day it is 25·19 million acres (*vide* Commission's Statement VIII, excluding temporarily settled estates, khas mahals and revenue-free estates): i.e., there has been an increase of cultivation by 290 per cent. The present raiyati rental for the permanently settled estates at the average rate of Rs. 3 per acre (Commission's Statement IX) is Rs. 7·557 crores or an increase of 310 per cent. This gives an excess of only 20 per cent.

This excess may be attributed to—

(1) new tenancies in the course of the last 160 years; and

(2) enhancements.

Regarding (*1*) It is very probable (*see* Preamble to Regulation XLIV of 1793) that for some years after the Permanent Settlement the initial rents, offered to attract cultivators, was low. But when after 30 or 40 years conditions improved tenancies then created were at higher initial rents.

Regarding (*2*).—The enhancements have been with regard to the new tenancies by the operation of the laws of enhancements, and mainly in connection with the settlement proceedings since 1908. Commission's Statement XVI shows a total increase of Rs. 15·94 lakhs (say 16 lakhs) during these proceedings: but the amount includes additional rent for excess area also. The total raiyati rental of the estates in which this enhancement was obtained is not stated. Taking this at Rs. 2 crores, the enhancement has been only by about 8 per cent., including excess area.

The old khudkasht raiyats of the time of the Permanent Settlement were fully protected against any enhancement above their old rates by Regulation XI of 1822. (*See* para. 20 of the General Note.)

Bulk of the present day mokarari raiyats may be taken as those raiyats who have continued as such, and excluding the ceded districts, the incidence of their rent per acre, varies as below—

	Rs. a. p.		Rs. a. p.
Mymensingh ...	1 3 10	Dacca ...	2 2 8
Jessore ...	1 5 10	Rajshahi ...	2 4 4
Pabna ...	1 14 0	Khulna ...	2 6 5
Nadia ...	1 13 5	Faridpur ...	2 6 7
Bogra ...	2 1 10	Bankura ...	2 15 10

The average is about Rs. 2 per acre, viz., the same as at the time of the Permanent Settlement.

These are of course only those who could substantiate their old claim by proving 20 years' uniform rent. It is difficult to say how many of the old khudkasht raiyats have suffered enhancement either by reason of the operation of section 5 of Regulation XLIV of 1793 or otherwise. Many of them because mokarari tenureholders in the record-of-rights, while some may have lost their own tenancies in sales for arrears of rent when the landlord purchased. In the 14 districts I have mentioned in my General Note, the raiyats recorded as mokarari, pay a total rent of about Rs. 41 lakhs. For the whole province the figure may

perhaps be taken at about Rs. 75 lakhs. Adding another 50 lakhs for those who have been treated as mokarari tenures, the total will be Rs. 125 lakhs against Rs. 2 crores at the time of the Permanent Settlement. The difference is thus about Rs. 75 lakhs attributable to the several causes I have mentioned above. But this is only a surmise, as the total provincial figures in this respect have not been supplied.

Items (*i*) and (*ii*) of the question are involved, for the exertions of both the landlord and the cultivator are all times necessary (*see* paras. 38, 39 and 74 of my General Note). For good many years, the zamindars, for their own self-preservation, if not for anything else, must have strained their utmost (else losing their estates) to get waste and jungle lands, infested by beasts, to be brought under cultivation either by direct action or by arranging with substantial men as re-claimers. With agricultural population so fearfully dwindled, this was hardly a matter within the possibility of individual cultivator, and joint efforts of all these persons and the cultivators were necessary. It was not till 40 or 50 years afterwards that the position became different, and then with the improved conditions individual exertion of a cultivator might generally be sufficient to bring stray plots of land under cultivation.

Q. 8. (See paras. 69 to 74 of my General Note.)

Q. 9. The question does not arise in view of my answers to questions 7 and 8.

On the point of "absenteeism", it may be said that the landlords to-day are almost merely rent collectors: except in the matter of settlement of new lands, where any. Absenteeism affects them more than the raiyat. In big zamindaris there have necessarily to be arrangements with Managers and Circle Officers. If there are in any place acts of high-handedness by the subordinate staff, the zamindar, if approached, may give some relief: but in the present days of democratic ideas, would any raiyat go back to the old days in which he sought redress from the zamindar as his "raja," and will the Government in its present form of administration allow or can allow this? Not only did Government definitely take it as part of its duties to protect the tenantry, not merely by expressing a general pious wish, or even by laying down categorial provisions in the laws, but also the responsibility to see that these were enforced by its officials. It is a function of the Government at all times: and where necessary Government can make the zamindar responsible as "principal" for the acts of his "agents".

Yet it must be said that where a zamindar detaches himself from the management of his estates, it is an evil: though perhaps more to his own cost than the tenant's.

Smaller zamindars and tenureholders, generally, have subsidiary occupations for which many of them have to keep away. They come to their villages once or twice a year, and generally they are in closer touch with their tenantry.

Q. 10. (*See* answer to question 3.)

Yes: it has been to the benefit of the province as a whole. So far as the raiyats are concerned, it has kept the incidence of rent low at 1/13th part of the produce.

Q. 11. (*i*) *See* answer to question 13. Whatever the appropriation, it is distributed amongst the zamindars and 4 million of tenureholders.

(*ii*) To a certain extent. (*See* paras. 36 to 41 of the General Note.)

(*iii*) Certainly not: it has kept down the raiyat's rent to 1/13th of the produce. (*See* paras. 24 to 26 of the General Note.)

(*iv*) No. If landlord is an evil, it is not due to the Permanent Settlement. (*See* paras. 42 to 44 of the General Note.)

Q. 12. No. *See* the General Note generally: particularly paras. 76 to 82.

Q. 13. 12 crores is not correct: it should be 7½ or 8 crores, vide answer to question 7.

Yes, 75 per cent. goes to the landlord, as against 50 per cent. in the "Government of India Land Revenue Policy" for temporary settlements.

(*i*) and (*ii*) I would not advocate any of these two, *vide* paras. 76 to 82 of my General Note. It will not benefit the raiyat.

(*iii*) Not for the purpose of increasing the general revenues of the State: but may be as a "local rate" for the specific purpose of providing for primary education, and subsidiary occupation (industrial) of the masses, and agricultural improvement.

Q. 14. I do not advocate these. Financially it is not feasible. *See* paras. 79 to 82 of my General Note.

Q. 15. (See para. 81 of my General Note.)

Q. 16. It will create a dangerous population of landless proletariat. (*See* paras. 41 and 75 of my General Note.)

Q. 17. State-purchase will mean nothing unless it goes down to the tenureholder above the raiyat.

It will not lead to any advantage either to the State or to the raiyat. The latter's rent is bound to go up.

Q. 18. The full machinery of direct collection will be needed.

The cost will be at least 15 per cent. of the gross rent, besides about 25 per cent. for remissions and liabilities. (*See* para. 81 of the General Note.)

Q. 19. Khas mahal rents are higher: and under khas management the raiyat's rent is bound to go up, and he will have no protection when the State wills it: there will be no buffer when the State will restrain. A policy like this may be also the first step towards expropriation of the raiyats, and then the under-raiyats, as in Russia. (*See* paras. 78 and 79, and para. 66 of the General Note.)

The cause of the raiyat's economic distress lies elsewhere (*see* paras. 26 to 30 and 85 of the General Note), and not in the zamindari system, far less in the incidence of his rent, which is extremely low. I am afraid raiyats are being misled by people in politics, who probably are thinking in all good faith, but do not certainly realise the implications. Very few of them know correct facts and figures. The spirit of the times affords a good atmosphere.

Q. 20. *See* answer to question 11(*ii*).

Q. 21. *See* answer to question 16.

Q. 22. *See* para. 81 of the General Note, last part.

Q. 23. *See* paras. 17 and 18 of the General Note.

Q. 24. *See* paras. 17 and 45 to 60 of my General Note.

Q. 25. *See* paras. 34 and 35 of my General Note.

So long as the raiyats' rent is low, under-raiyati cannot be stopped. It will also mean curtailment of a raiyat's right to sublet. The only way to protect the under-raiyat is by giving him occupancy right.

Q. 26. I do not see any difficulty in two grades of tenants having occupancy right, though violating the dictionary sense of "occupancy." Permanent tenureholders may in one sense be said to possess "occupancy" right.

Q. 27. They were not thinking of non-agriculturists at all. Homestead holdings of agriculturists are already protected by section 182 of the Bengal Tenancy Act. So far as this class of persons are concerned the question may be when they build a shop, or a mill or a factory or a house to let out. I would let the right of occupancy continue in such cases. If by such works on his land the raiyat makes a sufficient profit, he will automatically be liable to ordinary "income-tax."

Q. 28. *Vide* answer to question 27.

Q. 29. I have no information.

Q. 30. (*i*) Apparently will tend to increase "barga", but yet "barga" affords an easy alternative to selling out-right in times of difficulties, such as illness, absence of male member, etc.

(*ii*) and (*iii*) I am inclined to think that the right of transfer recognised in 1938, besides giving the raiyat a better value of his property, avoids the difficulties of recognition which at all times would otherwise be greater with a raiyat than with a non-agriculturist capitalist.

Q. 31. I should think, no more than the average of an under-raiyat.

Q. 32. *Vide* answer to question 30(*i*). The same applies to cases of small tenureholders. I would not change the law till fuller statistics are obtained. Other devices will not be wanting: and I do not think that it is a crying question yet.

Q. 33. *Vide* answer to questions 30(*i*) and 32.

Q. 34. Possibly. But the immediate effect will be that in many circumstances [*see* question 30(*i*) lands will be left uncultivated altogether or sold away.]

Q. 35. The share now limited, when a bargadar is a tenant, is half [section 178(*l*)(*c*)]. But I presume much will depend on whatever the landlord supplies, e.g., plough, cattle, manure, etc.

Q. 37. I have no information. I am inclined to think that it will in one sense encourage sales to agriculturists, *firstly*, because the vendor will get better price from a man who will cultivate the land himself than from one who will sublet: and, *secondly*, because it is now easier for a raiyat-purchaser to obtain recognition which is automatic.

Q. 38. *See* paras. 28 and 33 of my General Note.

Q. 39. *See* paras. 26 to 33 of my General Note.

Q. 40. *See* para. 32 of my General Note.

Q. 41. *See* answer to question 40.

Q. 42. Unless and until a good proportion of the present raiyats are provided with other occupations, accumulation of large areas in one particular hand will only create larger number of under-raiyats with higher rents or increase the number of mere landless labourers.

Till then I would not put any artificial rule of restriction: but would let the normal economic laws work.

Q. 43. I do not think that coparcenary amongst raiyats where it is found, affects good cultivation. It may lead to sub-letting.

Q. 44. *See* para. 84(*1*) of the General Note.

Q. 45. *See* para. 84 (*1*) of the General Note.

Q. 46. Both the figures are wrong. *See* paras. 8 and 9 of the General Note.

See also paras. 10 to 13 of the General Note.

No, enhancement was not contemplated [*vide* section 60(2) of Regulation VIII of 1793] except when such a tenancy of the time of the Permanent Settlement stood cancelled under section 5 of Regulation XLIV of 1793, for revenue-sale of the estate.

Q. 47. No, as regards tenancies of the time of the Permanent Settlement, *vide* last question.

Yes: as regards tenancies after the Permanent Settlement, *vide* section 52 of Regulation VIII of 1793.

See paras. 18 to 24 of the General Note.

Q. 48. (*a*), (*b*) and (*c*), *Vide* answers to questions 46 and 47.

(*d*) Section 50(1) and 6 of the Bengal Tenancy Act of 1885, as well as section 15 of Act X of 1859, only repeated the same idea as the authors of the Permanent Settlement: and in section 60(2) of Regulation VIII of 1793, saving enhancements already made by reasons of section 5 of Regulation XLIV of 1793 or otherwise.

(*e*) Correct to the extent that the Government revenue was not insecure hence section 5 of Regulation XLIV of 1793 (*see* para. 20 of the General Note): otherwise, increased assets was generally left to new tenancies after the Permanent Settlement (see paras. 11 and 12 of the General Note).

Q. 49. The bulk of the raiyats who now hold at fixed rates (mokarari) may be taken as having held on at the same rate since the Permanent Settlement. The total area of lands held by such raiyats has not been furnished. In the 14 districts with 28½ million acres which I have examined, 4·1 million acres are held by such raiyats: If only one-fourth of the total area was cultivated at the time of the Permanent Settlement, and allowing for such portions of them as were held by paikasht raiyats or cultivated khas by the zamindars and talukdars, it cannot be said that very many of the old khudkasht tenancies have lost their old rates in these districts, inspite of section 5 of Regulation XLIV of 1793 and other causes which might have terminated or lapsed some of these tenancies.

Pargana rate was a myth, particularly after the Decennial Settlement when all abwabs were consolidated in the rent (*see* para. 21 of the General Note). But the average rate of rent of these mokarari raiyats in districts other than the 4 ceded districts, is about Rs. 2 per acre (*see* answer to question 7), i.e., the same as stated by Grant in 1786 A.D.

It is to be noted also that some of these old khudkasht raiyats have been treated also as mokarari tenureholders (*see* para. 39 of the General Note). These are not affected: but excluding them, it is very probable that some of the old khudkasht holdings have lost their mokarari character. The reasons may be analysed thus:—

(1) cancellation of tenancies by section 5 of Regulation XLIV of 1793 on revenue sales, till the law was changed by Regulation XI of 1822;

(2) reversion of the lands to the landlord by purchase at rent sales or otherwise;

(3) inability of the raiyat to prove 20 years' uniformity of rent, although otherwise not covered by (1) or (2);

(4) submission of raiyat to enhancement demanded by the landlord.

It is not practicable to separate out to-day cases under (3) and (4), in which only there may be a grievance. But if the proportion of area held by mokarari raiyats to-day be about one-seventh, considering that no more than one-fifth was tenanted at the time of the Permanent Settlement, that some of these tenants were paikasht raiyats, that some cultivated lands were khas of the landlords, and that about half the zamindaris were sold for arrear of revenue between 1793 and 1822, I doubt whether there are many who can have a grievance on this score.

Q. 50. No. (*See* paras. 21 and 25 of the General Note.)

Q. 51. No. *See* section 52 of Regulation VIII of 1793, and paras. 21 and 22 of the General Note.

Q. 52. *See* paras. 63 to 67 of the General Note. When the Raiyat's average rent is only one-thirteenth of the value of the produce, his rent will go up enormously whatever theory of "economic rent" be applied. It was a part of the terms of the Permanent Settlement that just as the zamindars and talukdars were to get the benefit of increased rentals (restricted in the scope of enhancement by laws then and later), so the raiyat was to have the benefit of the increased proportion from increased value of the produce (whether by rise in prices from general causes or by his own exertions for better or more profitable yield). To go back and introduce new theories of economic rent will be a breach of the Permanent Settlement against the raiyat.

I realise, however, that the question of fair or economic rent for the raiyat will arise, if the terms of the Permanent Settlement are abrogated. I would take then one-fourth of the net annual value of the produce as advocated by the Taxation Enquiry Committee (*see* paras. 64, 65 of the General Note). But as "cost of production" to be deducted from the "gross value" is a variable factor, I would fix it at half the gross produce for cultivation of ordinary crops: in other words put the rent at one-eighth of the gross produce, so as to regulate the personal equations of Settlement Officers. For lands ordinarily growing special crops as jute, sugarcane, potato, tobacco, etc., which require special costs and special enterprise, besides making a full allowance for the costs, a liberal allowance should be made for the enterprise. I would rather not make any distinction from ordinary rent as first stated, because of such special crops: *firstly*, because such distinction would discourage special crops; and *secondly*, because it will necessarily lead to vexatious variations of rent year after year or at any rate periodically, as different crops are grown.

For the methods in the raiyatwari areas of Madras and Bombay, *see* para. 66 of the General Note: for the mahalwari areas in other provinces, *see* para. 67 of the General Note.

The Madras method is to base rent on the net annual value of the produce; but in application, the incidence has been high. The Bombay method of basing rent on the sub-letting value (for actual subleases by the raiyats) has been the subject of much adverse criticism: and I think it has either been abandoned or materially revised. In the mahalwari areas (temporarily settled) of other Provinces the tendency is to let competition-rent rise with the raiyats, and then base the revenue-assessment on such raised rents.

The theory of a percentage of the "market-value", even with the full right of transfer given to the raiyat, is not feasible for agricultural lands. If we take "market-value" as so many years' purchase of the net annual value, it takes us back to the value of the annual produce: and it is obviously preferable to work directly on the latter. If by "market-value"—we mean the value which a raiyat gets actually by selling such lands, there are so many uncertain factors on which this value depends that it will be difficult to work on a uniform basis. There is first the question of demand and existence of sufficient number of sales: then the land may be already sub-let, or considerable improvements might have been made by a raiyat who eventually may have sold his land: and so forth. I would apprehend greater inequalities in assessment by this method in agricultural areas.

I do not understand what is meant by "customary rates" in subquestion (5). If it means the rent which the raiyat has beeen so long

paying, this means the same as the present law. If it means establishment of new rates which would be then the customary rates,—then the fixation of such rates takes us back again to the question of the yield from the land; that is, its capacity to pay a certain rate.

Regarding sub-section (2)—I am not aware of any version of "rent" as meaning a deduction for what is required by the man for "food for himself and his family". It is probably a socialistic idea: but then land will not be the property of any raiyat, and the State will have to take the responsibility of maintaining every raiyat and his family. And logically the State will be liable to pay the raiyat the deficit in his profits from land. Again a man may have a large family or he may have none: a moneylender may have only one bigha of land insufficient to maintain his family, in which case his rent also will have to be at least *nil*. It is the "cost of production" which is the proper factor, and this cost should include the labour of the raiyat and the members of his family who are employed in the cultivation.

Q. 53. *See* para. 24 of the General Note, with the paragraphs preceding.

Q. 54. No.

Q. 55. *See* answer to question 52.

Q. 56. *See* answer to question 52.

Q. 57. Any promise of "perpetuity" will be meaningless as similar promise of the Permanent Settlement would be taken as meaningless.

Q. 58. If a minimum limit to net annual value be put for assessment of agricultural land, it will be an innovation which I am not aware has been tried in any other country.

With any minimum limit of income, it will make bulk of the raiyats rent-free with no commensurate economic improvement of their condition (*see* para. 26, and the subsequent paras. 28 to 33 of the General Note); while the State revenues will be paralysed.

Q. 59. Rise in prices is an equitable basis for enhancement of money rent: as fall in prices for reduction (*see* paras. 22 to 23 of the General Note). But greater power should be taken by the Government by amending section 112, so as to enable Revenue Officers to reduce rents enhanced at better economic times, by applying section 39 without individual application from the raiyats.

I would abolish the rule of "prevailing rate" in section 30(*a*) altogether: *see* paras. 23 and 24 of the General Note.

In section 34(*b*), I would put "one-eighth" in the place of "one-half", when there is no question of improvement at the landlord's expense to which section 30(*b*) might be applied.

I would omit the word "permanently" in section 38(*1*)(*a*).

Q. 60. The landlord should get a share on the same principle as "rise in prices". I would however let him have only one-eighth, viz., the same as I would put as fair rent (*vide* question 52). So long as the Permanent Settlement stands, the questioon of the State getting a share does not arise.

Q. 61. *See* answer to question 59.

Q. 62. I would not introduce such complication. It will be difficult to work, and only lead to disconcerting issues in litigation without countervailing advantage. *See* also answer to question 52(2).

Q. 63. Yes, these are the grounds on which I would object to "prevailing rate" either for enhancement or for reduction.

Q. 64. I would put the maximum of raiyat's money rent to one-eighth of the gross produce and of the under-raiyat's at 50 per cent. over, i.e., three-eighths.

Q. 65. In the case of temporarily settled estates, more care ought to be taken to test the contractual rents obtained by the settlement-holder (in the course of the previous term) whether they represent more than one-eighth of the gross produce for the raiyat. If so, the rents should be reduced, and the reduced rents made the legally payable rent.

Q. 66. I have no information.

Q. 67. I am not aware of any such instructions.

Q. 68. I have no information.

Q. 69. There were what are known as the "boom prices" during 1920 to 1922: and a reduced steady price was reached about 1925 to 1930. Since 1931 there commenced a slump, now there is some improvement.

It certainly was not right if the boom prices of 1920 to 1922 were taken into account, or if the steady fall since 1931 was ignored. Section 35 gives the Court and the Revenue Officer ample power to exercise proper discretion in consideration of these circumstances.

To what extent this has been done, I am not aware.

Q. 70. Because there has been no uniform standard, e.g., that the rent should be a certain proportion of the produce.

Q. 71. I am afraid I have no sufficient data for any useful reply to this.

Remission or suspension in time of distress to the zamindar of a permanently settled estate is only a matter of leniency on the part of

the Government; and the only justification for it should be that the zamindar gives corresponding remission or suspension to the raiyats. Suspension of raiyat's rent can be worked; but remission is difficult to enforce. If a remission, say of 25 per cent., is allowed to the zamindar, there may be a wide publication to the tenantry of all grades that their rents for the year are also reduced by 25 per cent. and to legalise this against contractual agreements, proper legislation may be had.

Q. 72. *See* para. 28 of the General Note.

Q. 73. I have no information.

Q. 74. The main defect was absence of provision for the cost of preliminary work and estimate. The next defect was in the existence of so many authorities, viz., the Irrigation Department, the Agriculture Department, the District Board and the Collector, without any one to take the lead or organise with the landlords and the tenants. I had tried to work one scheme in Nadia, but so long as I was there I failed to co-ordinate all these various authorities: and in the meantime the enthusiasm of the people concerned was gone.

Q. 75. I have no information.

Q. 76. I have no information.

Q. 77. The land system is not responsible (*vide* paras. 26 to 30 of the General Note).

The position may be put in a simple form thus:—There are 11 million agricultural workers, who need 11 × Rs. 192 (*vide* para. 28 of the General Note) = Rs. 2,112 million or Rs. 211 crores of rupees a year to maintain themselves and their dependents (average 3 for each).

Against this: the total cultivated area is 28·9 say 29 million acres (Commission's Statement No. I); and at Rs. 44-5 per acre (Commission's Statement No. II): the total value they can get from lands is only Rs. 129 crores. There is thus a deficit of Rs. 82 crores a year. Allowing that about half of this comes from existing subsidiary occupations, there is still a deficit of Rs. 41 crores. Employment from organised development of indigenous industries must be devised to enable this population to earn this deficit of Rs. 41 crores, say 40.

The period of the Company's Government is responsible for the ruin of the indigenous industries of the country which supplied supplementary occupation to the people. For some years, no effect was perceptible, because the population had dwindled by over one-third, and there were ample uncultivated lands where the slowly increasing population could divert. But I believe notes of warning were sounded very early by the Marquis of Wellesley (1798) and then by Lord

William Bentick (1833): but these were unheeded, while the development of machinery in Europe accelerated the ruin of such local industries as spinning and weaving, embroidery products, etc.

On the assumption of direct Government by the Crown, after the Sepoy Mutiny, many benevolent measures were taken, but sufficient notice was not taken of this growing danger. A cess was imposed in 1871 for improvement of roads, and another in 1877 for public works. From 1872 to 1901, the population increased by about 8 million souls, and forceful voices were raised by Mr. R. C. Dutt and others. An Industries Department was organised, but it has been wearily plodding in a slow uphill task, handicapped by many difficulties, not the least of which is that the people have forgotten their old hereditary skill in arts and crafts. When machinery has been transported here, it has not helped the villager. In some cases it has affected adversely, for example, the rice mills have deprived the poor villager (women generally) who used to get a living by husking. (*See* paras. 27 to 33 of the General Note.) Land alone cannot provide the needs of the population.

Q. 78. *See* paras. 28 and 29 of the General Note for average income of a holding.

Q. 79. Not necessary for the purpose of obtaining agricultural statistics, though periodical revisions are necessary for the interest of the tenantry. For agricultural statistics, periodical operation on the lines suggested by Dr. Bowley and Prof. Robertson ought to be undertaken, synchronising with the census operations.

Q. 80. *See* paras. 27 to 33 of the General Note.

Q. 81. I should take about half the workers among the agriculturists, or say 5 millions of them, who need occupations other than on land, whether as supplementary or exclusive. Excluding those who have some subsidiary occupation now, at least 2½ millions are surplus.

Or, (*see* answer to question 77), such employment must be provided for these 2½ millions people as would secure them Rs. 16 per month each, which would give 40 crores.

Q. 82. Not so much to large industries, but to organised industries nearer their homes. (*See* paras. 26 to 30, 33 and 85 of the General Note.)

Q. 83 to 88. I have no personal experience for any useful opinion.

The danger of artificial organisations thrust upon an illiterate body lies in this, that if any of these organisations breaks down, there is likely to be more severe disaster, for the indigenous sources of credit would be gone. Spread of literacy with education on simple and proper lines is, I consider, the *sine quo non*.

For the immediate needs of relief from the load of debts which at present hangs on the cultivator, the Agricultural Debtor's Act is expected to do real good; provided its working is not marred by over-zeal, and its scope is strictly limited to the class of people for whom it is really intended. An application of the Act even to a few persons whose main earning is from trade, business and industries other than agriculture, is bound to seriously affect the credit of hundreds of others so employed and who need good credit; with the eventual result that these enterprises will be crippled while the position is that the utmost should be done for the expansion of these enterprises.

It may be idealistic, but I would wish to see that the landlords and the raiyats join together in all these credit organisations, and work under healthy control by the State officials. For, after all their interests are identical, and any landlord worth the name, should realise or be made to realise that these are so. It is only when so organised that the foundation will be well and truly laid on natural basis, and the present vicious atmosphere of suspicion will vanish.

Q. 89. Yes: the worst is that the cost falls eventually on the tenant. (*See* para. 84 of the General Note.)

Q. 90. If harassing, it is due to over-zeal of individual officers. Otherwise, it is less expensive to the tenant, while there is ample scope for easing off the payment.

Q. 91. So far as the tenantry is concerned, I do not think the old Regulations affect them much. The Bengal Tenancy Act is complete.

Q. 92. I am not aware.

Q. 93. *See* para. 72 of the General Note. I do not think that raiyati lands will pass to a greater extent to non-agriculturists than before. On the other hand, ordinary cultivator who can purchase will find less difficulty in obtaining recognition.

As for loss to the landlords, Commission's Statement XIV gives a fair idea. But I do not think the landlords could realise as much on the whole, prior to 1928.

Oral evidence of Rai M. N. Gupta Rahadur, on 21st March 1939.

I. In reply to the Chairman he said that he is opposed to the State purchase of zamindaris and tenures. He considered it likely to be an unprofitable transaction which would be of no benefit to the raiyat. He thought there is no reason why the existing land revenue system

should not survive in spite of the communistic propaganda recently referred to by the Hon'ble Sir Nazimuddin, and the no-rent campaign of which the Hon'ble Minister, Revenue, has spoken. These movements have little hold over the peasantry. In his belief the country is sound at heart, and when normal political conditions reappear the position will improve. The present period is one of political change; but it is clear that the raiyats are not being influenced to any great extent by communistic theories from the fact that the value of rent suits does not much exceed one crore of rupees, though they cover the arrear rents of three or four years. He thought that the political unrest is likely to decrease and that landlords will be better able to realise their rents.

It is true that the raiyts nowadays have almost full proprietary rights and that it is not easy for the landlords to effect improvements on their holdings. Landlords have however land in their khas possession, amounting in all to over 15 million acres, including a considerable area of waste lands on which improvements can be effected. It is true that where tenureholders are mere rent receivers, they have no direct interest in agricultural improvement; but it has been of economic value to the country that the profits from land have been distributed amongst a large population of this class. Tenures had been in existence before, but to a certain extent their later developments are a result of the Permanent Settlement, and the Tenancy laws defining "tenures".

The present difficulties of the raiyats are not due to the level of rent which is extremely low. The principal cause is that the average holding of a family has become insufficient for its needs, as a result of the increase in the agricultural population. According to the Commission's figures the cultivated area is about 30 million acres and the agricultural population is 34 millions. If land has got to support the agricultural population, a proportion of the present population must be diverted to other occupations. A proportion of the present agricultural population must have even now some subsidiary occupations: for if that is not the case one would have expected that a part of them would have disappeared. Subsidiary or other independent occupations should be provided by a programme of industrial development, and the revival of industries which have now disappeared. Apart from the surplus population, agriculture alone cannot keep the men employed for more than half the number of days in the year; and subsidiary occupations should be brought nearer their homes, as far as possible. This would require an increased revenue, to meet which he proposed that there should be an agricultural income-tax. If that is not sufficient he would recommend that the land revenue which is now about 20 per cent. of the assets should be fixed at 30 or 35 per cent. of the assets. This would result in an increased revenue of 1½ crores, and he would distribute

the remaining 70 or 65 per cent. amongst the tenureholders as well as the zamindar. He thought that this could be done by a semi-revisional operation. In a sense it might be described as a breach of the Permanent Settlement, but it could also be called a contribution to the development of agriculture. He would make such a levy subject to two conditions:—

(1) that the new revenue would be fixed either in perpetuity or for a long period such as 90 years; and

(2) that the existing rents of raiyats for the lands for which they are paying them should not be increased during this period (i.e., perpetual or 90 years as the case may be).

II. In reply to questions put by the Chairman on behalf of the Maharajadhiraja Bahadur of Burdwan, he said that the incidence of land revenue is highest in the four districts which were ceded to the East India Company before the Dewani, namely, 24-Parganas, Burdwan, Midnapore and Chittagong.

Whether or not an agricultural income-tax would amount to expropriation in the estates which pay a fixed revenue or generally, is a question of constitutional law. The normal rate of compensation is generally 20 times the net profit, although this figure is not definitely laid down in the Land Acquisition Act itself. The multiple of capitalisation is indicated in the Bengal Land Acquisition Manual, 1918, when 3½ per cent. Government papers were sold at about Rs. 92 yielding thus about 4 per cent. He had reduced what he considered to be fair compensation to 16 times the net profit, in view of the magnitude of the operation involved in buying out all estates and tenures, and had omitted also the 15 per cent. extra allowance given in compulsory acquisition. If interest is paid at 3½ per cent. on compensation at 16 times the net profit, the landlords and tenureholders would still be expropriated of about half of their income without any compensation. In some cases it might be necessary to pay 20 times the net profit; in others 12. The amount would vary according to the conditions of each estate or tenure. It is possible now to get as much as 30 times the net profit for some tenures. Considering all aspects of the matter he had recommended that 16 times the net profit would be fair average compensation on the total.

He agreed that if mineral and fishery rights are required by the State, it would be necessary to pay compensation for them. He would prefer however to leave such rights with their present owners.

III. In reply to Khan Bahadur Abdul Momin he said that before the Permanent Settlement the law was not codified. The Moghul rules of assessment were rather crystallised in practice. He emphatically

denied that in Bengal the only parties were the State and the raiyats before the Permanent Setttlement. That system prevailed in areas around Delhi. It is very doubtful whether Todar Mal ever carried out a settlement in Bengal on Akbar's model plan. The conquest of Bengal was not completed until 1636, i.e., long after Todar Mal's time. Akbar's system of measurement and assessment was not carried out in Bengal. This is indicated by the fact that figures are given in Ain-i-Akbari showing areas for the Subahs around Delhi, but not for Subah Bengal. Both Cornwallis and Shore were of opinion that the only principle existing in Moghul times, so far as Bengal was concerned, was that one-third of the produce was to go to the State. It was left to the landlords to make their own arrangements with their tenants, and in Bengal there was no system of village communities which owned the land. The lower deltaic areas between the Padma and the Bhagirathi and even up to the Damodar were reclaimed in comparatively recent times. That area consisted of forests, intersected by large rivers and the estuaries of the Bay, and as Baden-Powell has said, it required men of substance to carry out its reclamation. He agreed that the larger zamindars carried out certain State functions: these were superadded to the duties of the zamindars by the Moghuls. He would not say that the zamindars "distributed" lands to their original tenants. The historic origins of the system are obscure but he thought that where reclamation has been carried out it was originally done by certain enterprising leaders. Zamindar is a word which was used by the Muhammadans. Previously they were called Bishayis, Bhuiyans or Mandaliks, and the common term was "Raja". This was not used in the sense of a "King". There were many such petty subordinate Rajas and other similar people who were made zamindars by the Moghuls, i.e., brought directly under the State. The term "zamindar" may signify a peasant proprietor in the Punjab and the United Provinces but the same meaning does not hold good in Bengal. In this respect no analogy can be drawn between provinces because they have different systems, and even within the same province different systems exist. He agreed that the Permanent Settlement took away some of the rights of zamindars. Government took over the protection of the tenantry at the time of the Permanent Settlement. He also said that the proprietorship of zamindars, as stated in the Permanent Settlement Regulations, is not absolute ownership, and that in fact there cannot be any such thing as an absolute proprietary right in respect of land. The raiyats had no proprietary right, and in fact they had very little rights before the Permanent Settlement, *vide* paragraph 17 of the General Note. All that the proprietary rights of the zamindar mean is that all residuary rights, after eliminating the rights of the tenantry as secured by law or contracts, rests with the proprietor; for example, if a raiyat abandons his holding it goes back to some one, and that some one is the zamindar.

Similarly for the disposal of the untenanted lands, mines and minerals Raiyats hold their lands subject to the payment of rent and they possess surface rights only; the zamindars hold their estates subject to the payment of revenue and own the rights below the surface. The raiyat's right may be said to be as good as the zamindar's right so far as the surface rights are concerned, but the residuary rights do not lie with him. He did not agree that the residuary rights rested with the State before the creation of the zamindars, nor could it have belonged to the village community, in Bengal at any rate for the last two thousand years.

He thought that sufficient enquiries were made at the time of the Permanent Settlement into the assets of zamindars. Enquiries were made regarding the cultivated area. It is true that these figures may have been supplied by the zamindars but enquiries were made in the districts, and a calculation of the cultivated area was made by Grant and Shore. The district enquiries must have begun from 1781 after the famine. In some parts of the ceded districts detailed surveys were made even earlier. Cornwallis fixed the revenue at 268 lakhs on the consideration that future profits would be derived from the jungle and waste land. Shore's Minute indicates that Cossim Ali's assessment left no margin of profit to the zamindars. Grant's estimate of the assets was exaggerated and based on a fallacious calculation, and it was not accepted by Shore or Lord Cornwallis.

Khan Bahadur A. Momin quoted the figure, given in paragraph 8 of the General Note, of 204 lakhs as the raiyati assets at the Decennial Settlement, and asked whether the Government could have fixed a revenue which was higher than the assets. Rai Bahadur M. N. Gupta referred to his other estimates there and replied that Cornwallis thought cultivation would extend rapidly throughout Bengal; and although there might be no margin of profit at the time, a margin would quickly develop. In his reply he had estimated that one-third of the then culturable area was reduced to jungle owing to famine. The area under cultivation assessable to revenue, was estimated at 18,000 square miles out of a total area given by Rennell of 90,000 square miles. The zamindars were thus in a position to get more than an increase of the one-third area which went under jungle after the famine. It is not correct to say that the revenue of Bengal proper was 2 crores of which one-tenth was given as profit to the zamindars. In Bengal districts the Decennial Settlement was made on the basis of the preceding year's standard (section 68 of Regulation VIII of 1793 and paragraph 10 of the General Note); and this latter was not based on any calculation of a proportion of the assets but was a continuation of the previous auction settlements prior to the famine. The assets in the permanently settled area to-day may amount to 10 crores. In certain small areas (separated taluks and parts of the ceded districts) assessment was made by taking

a proportion of the estimated assets (section 75 of Regulation VIII of 1793); but it is not correct to say that in these areas one-tenth was given to the zamindars on account of profit and collection cost. The allowance for the profit was made after deducting the cost of collection. Shore's calculations show that the cost of collection was always deducted first, and section 75 of Regulation VIII of 1793 refers to the "allowance for themselves and their families". This clearly refers to their profit.

In reply to the Chairman he agreed that the assets in the permanently settled area might be taken at 10 crores and the profits of landlords and tenureholders would amount to between 7 and 8 crores.

Replying to Khan Bahadur A. Momin he said that it was impossible to say whether Cornwallis could have foreseen the profits which exist to-day, but he examined the question from all points of view. Governments have to act on the circumstances as they arise. Whether their decisions are right or wrong in the future is another matter, but if they are judged in after-time, one has to consider all the results which follow from their decisions. If it is true that the zamindars' profits have increased, it is also true that the raiyats' rents have been kept down to an average of Rs. 3 an acre or 1/13th of the gross produce. This is the lowest level of rent in the world, and it gives a greater value to the land for them. Lord Cornwallis looked forward to the increase in the value of individual property rather than to an increase in revenue from the land. He foresaw larger profits both to the landlords and the raiyats. The Government of that day was a commercial concern one of whose objects was to increase trade and industry. For that reason it wanted wealth to accumulate with individuals; and it is a right objective of a good Government at any time. Lord Cornwallis said that the loss of land revenue would be recouped in other ways. He had also to consider the immediate problem of bringing the extensive areas of waste and jungle lands under cultivation. It was impossible for Government to do this.

He did not agree that Lord Cornwallis's figure of the raiyat's assets was a miscalculation.

As regards paragraph 78 of his General Note he said that before the State purchases the interests of landlords and tenureholders, the necessity for such a change in the system must be clearly demonstrable. The improvement of social services was no part of the settlement with the zamindars. The State can always impose taxes for the improvement of these services, but it is a different matter to abrogate the Permanent Settlement for that reason. He recommended the levy of an agricultural income-tax provided that the increased revenue is used for agricultural development. If "proper" compensation is to be paid to the landlords and tenureholders it would not be a practical proposition for

the State to purchase their interests. It has also to be remembered that about 4 million families would be thrown out of land and given Government Paper which they would soon squander. They would be a danger and a burden to the State. Employment would have to be provided for them.

He was quite prepared to help the cultivating classes by changing the land revenue system, provided he was convinced that a change in the existing system would improve their condition. The middle classes are not entirely dependent on land but have taken in many cases to other professions. The land, however, is their security and a kind of insurance premium to them: and sometimes the only stay for the poorer branches of a family. He would not object to the State purchase of zamindaris and tenures provided he was convinced that this would really help the raiyats as well as the landlords and tenure-holders, and provided that the scheme is financially possible.

If compensation is paid at 10 times of the net profit about two-thirds of the landlords' and tenureholders' incomes would be expropriated without any compensation. He agreed that 20 times the net profit is not laid down in the Land Acquisition Act; but it is in the Rules, and it is the rate which is generally followed. The Act was passed in 1894 and he said that at that time prices were not higher than they are now. He mentioned that statistics taken in 1928 showed that as much as 30 or 40 times the net profit was obtained for some tenures, and the average was 25 times. The figure obtained for zamindaris was lower. If compensation is given at 10 times the net profit, and in 3½ per cent. paper, the landlord would get only Rs. 35 for every Rs. 100 of his existing income. He did not agree that landlords are now realising only 35 per cent. of their rent roll. If that was the case, the value of rent suits would be much higher than it is. It may be true that rent suits are expensive, but that fact would not justify the assumption that landlords would forego 65 per cent. of their incomes, because they are unwilling to bring rent suits. He agreed it may be possible that many small tenureholders do not bring rent suits. He agreed that Government management would be more efficient, but pointed out that it would hardly improve the raiyat's condition in the matter of payment of rent. Stricter rules than available to the landlords would be enforced.

If compensation is calculated properly at ten times the net profit, it is not certain that Government will make a profit. If interest is calculated at 3½ per cent. and there was a sinking fund for 60 years, he had worked out that the increase in revenue would be 3·42 crores: but this was on the assumption of certain further propositions by Mr. Momin, viz., that no compensation would be paid for the resumption of the khas lands of the landlords, that the cost of Government

management would be more than 12 per cent., and that no deduction for short percentage of collection and remissions under Government management was necessary. The cost of Government management would, in practice, be 15 per cent. or more. The same percentage of realisation as for the permanently settled land revenue cannot be expected and there would also be considerable remissions under State management. In Madras he thought that remissions have amounted to as much as 33 per cent. If they are taken at 25 per cent. the surplus would almost disappear. In 1928 he had worked out the cost of management after State purchase at 10·8 per cent. including the cost of subordinate staff; but including the superior staff and all possible charges, it would be about 15 per cent. Remissions would also be heavy, and they might amount to 25 per cent. The remissions actually made in khas mahal estates would have to be compared. After 60 years the interest and sinking fund payment would cease, and an extra revenue of 2·3 crores would be available.

He said that some zamindars might accept 10 years' purchase, others might refuse 20 years' purchase. Personally if he were a zamindar he would prefer to pay increased revenue, as he had proposed, rather than expropriation with compensation.

As regards consolidation of holdings, he thought that the only possibility was to experiment in the same way as in the Punjab.

As regards the right of transfer, Khan Bahadur A. Momin asked whether there is anything in any of the Regulations which limited the right of transfer by khudkhasht raiyats. The Rai Bahadur replied that the question is an academic one, now that they have full rights of transfer; but their rights were fully described in Shore's Minute. Before the British period the raiyats had no right of transfer. This must have been the case, because their right could have had no value when they were paying as much as one-third of the produce and there was more land than tenants. The raiyats could not even change the kind of crop at their will. There was no law on the subject; Shore went by the existing practice as he found it. The position changed when about 50 years later cultivation had extended, and the value of land had increased. Zamindars then began to ask for salami.

IV. Khan Bahadur Muazzamuddin Hosain quoted Justice Mitter to show that raiyats had proprietary rights as tillers of the soil. The Rai Bahadur asked who were the actual tillers of the soil? If *X* reclaimed one hundred acres and let it out to *P*, *Q* and *R*, would the proprietary right go to *X* and his descendants or to his lesses? He said he could not agree to Mr. Justice Mitter's view without examining his whole thesis.

He agreed that the rights of zamindars were not the same as those of English landlords. The zamindars' position before the Permanent Settlement could not be described as precarious: it was only precarious at the times when Murshid Kuli Khan removed some of them (usually from those who failed to pay the jama) and when the East India Company was experimenting and made mistakes. These mistakes were later rectified by the Regulating Act of 1784.

The Khan Bahadur quoted from the Despatch of the Court of Directors, dated September 1792, to show that it was intended to give the same security to the raiyats regarding their rent as to the zamindars regarding their revenue. The Rai Bahadur replied that he did not agree and considered the opinion of Shore preferable to that of the Court of Directors who were sitting in England. He did not agree that the allowance of 1/11th to zamindars could be interpreted as a commission for collecting the revenue. Referred to his General Note, paragraphs 45 to 57.

As regards pargana rates he said that Shore had received reports from the Collectors of districts (reports which he himself had read), and Shore had come to the conclusion on the basis of these reports that no pargana rates could be fixed. The Court of Directors passed orders in the Patta Regulation which were incapable of being carried out. The pargana rates had become overlaid with successive subadari abwabs. These abwabs were not imposed uniformly on the zamindars and the zamindars imposed them arbitrarily on their raiyats. All vestiges of the pargana rates had vanished by Aliverdi Khan's time. It is true that the Regulations contain references to the pargana rates but they are based on a misconception of these rates. The Regulations also contain a reference to the nirik-bandi. This could only have been the average rental; for example, if the tenant's rent was Rs. 30, and abwabs of Rs. 20 were added, the area of his tenancy was 25 acres, the nirik-bandi would be Rs. 2 per acre. During the period of subadari abwabs, zamindars used to levy the same on the raiyats on higher and irregular proportions: and did not worry about the State's authority. It is true that further abwabs were forbidden by the Regulations of the Permanent Settlement.

Pargana rates began to vanish by 1722 A.D. in Murshid Kuli Khan's time. It is not true to say that pargana rates were increased by the imposition of abwabs. The pargana rates were definitely enhanced by Shuja Khan (Sultan Shuja) in 1658 A.D. Pargana rates were automatically enhancible under Akbar's system by which the average price for the preceding 10 years was applied to one-third of the gross produce (paragraph 23 of the General Note). Abwabs were imposed for temporary exigencies such as Marhatta Chauth and the abwabs for

the removal of bricks from Gaur to construct the palaces at Murshidabad. In Bengal, Akbar's assessment was a lump assessment and not a raiyatwari assessment. He believed that in Bengal the raiyats used at one time to pay so much per plough for their land. This inference is suggested by some old ballads from Mymensingh which come from Pathan times. In this way it is possible for a local rate to arise. Probably local customary rates (varying with the species of crop actually grown) existed before Akbar's time. Whether Akbar disturbed the rates it is impossible to say, but Sultan Shuja's settlement certainly increased the pargana rates by 15 per cent. This increase was not made by the imposition of abwabs: abwabs came later. He did not agree that the rents of new raiyats were made unenhancible at the Permanent Settlement. The point was cleared up in Regulation XI of 1822 which refers to the "old pargana rates" for the old khudkasht raiyats of the time of the Permanent Settlement (called khudkasht kadeemee), and "the established pargana rates" for later raiyats. "Old pargana rates" mean the rates existing at the decennial period and "established pargana rates" mean the rates as established when the enhanced rent is settled. For several years after the Permanent Settlement the East India Company tried to maintain supposed pargana rates. There was no question of revising pargana rates after the time of Murshid Kuli Khan: from that time the State demand was increased by the imposition of abwabs. When they failed to maintain the pargana rates the East India Company directed the zamindars to display pargana rates in the Collectorates. The zamindars protested and said that they were unable to find out the pargana rates, and thereafter no further mention is heard of them. He did not agree that the rent of the new khudkasht raiyats (i.e., originating after the Permanent Settlement), was permanently fixed at the Permanent Settlement. The Regulations first of all limited the period of pattas for such raiyats to 10 years: Then Regulation IV of 1794 laid down that rent can be raised up to the established rate. After that Regulation XI of 1822 made the intention clear by making a distinction between the "old pargana rate" and the "established pargana rate". Referred to his General Note, paragraph 20.

Khan Bahadur quoted from Lord Cornwallis's Minute to indicate the intention to give the same security to the raiyats' rent as to the zamindars' revenue. The Rai Bahadur replied that Lord Cornwallis could hardly have meant by this that the rent of the new raiyats after the Permanent Settlement can never be enhanced. The law courts have held otherwise and the decision in the Great Rent Case is an authority. In that case the Judges have given a full history of the land revenue system and the intention of the administration from the Permanent Settlement onwards. Had Cornwallis really intended to fix the new raiyats' rents permanently his intention would have been embodied in the Regulations. He agreed that there is a controversy as

to the meaning of section 7 of Regulation IV of 1794 but was of opinion that the section would not bear the interpretation that the rents of new tenants, i.e., of tenants coming in after the Permanent Settlement were fixed in perpetuity. The Khan Bahadur quoted from Cornwallis's Minute to indicate that the only ground of enhancement is the cultivation of more valuable crops. The Rai Bahadur replied that enhancement on the ground of increased area was also possible. If a raiyat had 10 bighas at the Permanent Settlement and extended it to 15 bighas he would be liable for extra rent. The Regulations (Regulation XLIV of 1793) also provided that after a revenue sale all engagements with the raiyats could be cancelled. The collection of papers from which the Khan Bahadur had quoted contains only part of the correspondence at the time. What has been included in the Regulations must be accepted as the final decision of the Government at the time. The last letter in the collection of papers indicates that the Court of Directors confirmed the draft of the Regulations.

The rule of ennancement on the ground of a rise in prices did not appear in any enactment until 1859. He surmised that Shuja Khan's enhancement (1658 A.D.) might have been made on this ground. So far as he recalled, Shore's Minute said that an enhancement could be made on the ground of a rise in prices. This was mentioned as the ground on which the Government then justified the consolidation of the abwabs with the asal jama, i.e., the abwabs which had been imposed between Murshid Kuli Khan's time (1722) and Cossim Ali's time (1763). It is true that there is no mention in the Regulations of this as a ground for enhancement of rents in the future. The Courts at that time had only to deal with pargana rates. The result was a series of conflicting decisions. An account of these is given in the Great Rent Case when the whole of the early history and the position after the Act of 1859 were discussed. In Act X of 1859 "rise of prices" was definitely introduced as a ground of enhancement. At the same time the "prevailing rate" (substituted for the previous "established rate.") was retained, probably for Bihar. In Bengal "prevailing rate" as elaborated later, was inapplicable. He agreed that previous to 1859 the zamindars could only raise the rent up to the pargana rate which was established at the time. It was as a result of the conflicting legal decisions that the Rent Act of 1859 laid down rules for the guidance of the Courts. (Referred to his General Note, paragraph 23.) As an illustration of the established rate he gave the example of an estate comprising 1,000 acres of which half was previously waste land and was settled at Rs. 5 per acre and the remaining half was previously settled at Rs. 3 per acre. If some of the tenants holding at Rs. 3 agreed to pay an enhanced rent up to Rs. 5 then the established rate would become Rs. 5 and the remaining tenants holding at Rs. 3 would have

had to agree to an enhanced rent up to Rs. 5. This was the position prior to 1859. Considerations of changed conditions, including rise in prices, would be involved in the new rate of Rs. 5.

Pargana rates are mentioned in the Regulations up till 1822 but not thereafter. Actually they were not in existence at the time of the Permanent Settlement.

In connection with his reply to question 52, he explained that a raiyat should receive a proportion of the increase following upon a rise of prices. He did not agree that as the zamindar was to derive his profit from the extension of cultivation, the tenant should receive the entire profit arising from other sources, and pointed out that if there is an increase in prices, the raiyat automatically gets 12/13th of it. It is true that rents were required to be fixed in "specific sums" at the time of the Permanent Settlement, but in Bengal rents used to be paid in money from long before the time of the Moghuls, and this fact does not mean that enhancements of the rents of subsequent raiyats could not be made on the ground of a rise in prices. His further authorities for saying so are the discussions in the Great Rent Case and Regulation XI of 1822 which distinguishes the two classes of pargana rates.

With reference to paragraph 46 of his General Note he agreed that section 52 of Regulation VIII of 1793 contains restrictions, viz., that no abwabs could be imposed, and that the rent could only be realised up to the "established pargana rate"; but this did not mean the "old pargana rate". He agreed that the theory of pargana rates negatives the idea of higher contractual rents, but pargana rates were not cut and dried, they varied in course of time (the Great Rent Case). If the State were to purchase the zamindaris and tenures he agreed that contractual rents where high might be reduced, but pointed out that low rates would have to be enhanced if any standard was adopted, and this would not be of any benefit to the raiyats. He agreed that the condition of the tenants could be improved by ameliorative measures, but said that unless there is a definite scheme for the improvement of agriculture, and an estimate prepared of the amount required, there is no object in raising the extra revenue.

As regards the levy of salami he said that at the time of the Permanent Settlement there was more land than there were tenants. Consequently the question of salami did not exist at that period. It was a subsequent development. He did not agree that transfer should be restricted to agriculturists only. It would be very difficult to define what is an agriculturist. If they are to be actual tillers of the soil, they would mean primarily the under-raiyats and bargadars and such of the raiyats as themselves cultivate. These classes are admittedly poor, and would not have sufficient money to give a fair price for the

land. Consequently the value of property would go down and the raiyats' credit would also be adversely affected. The Punjab system for restricting transfer operates in conditions different from those in Bengal. It is no use giving unrestricted rights of transfer to occupancy raiyats and then depriving them of the best market for selling their land.

He believed that in the Punjab the tenants directly under Government did not for the most part cultivate but sublet to under-tenants who have no rights at all. He thought that the raiyats would not agree to have the right of transfer restricted to agriculturists only. This would merely be taking away with one hand what has been given with the other. In practice any restriction on subletting would be useless: it would merely reappear in a worse form. He agreed that bargadars who supply seed, cattle and plough should be considered tenants.

V. In reply to Khan Bahadur Hashem Ali Khan, he said that it would depend on the conditions of each estate whether 16 times the net profit could be obtained or not. Some small estates and mokarari tenures are even now being sold at 30 times the net profit. He suggested that statistics should be obtained. Without such statistics he could not say whether the prices have gone down in the last ten years. When a private purchase of a zamindari is made, a business-like purchaser would calculate on the expected irrecoverables of future arrear rents when offering his purchase price.

He suggested that the present conditions might be improved by organising local industries; for example, the salt industry, from which it might be possible to obtain a revenue to the State of one crore, besides another crore for individual wealth. At one time the salt industry on the sea coast of Bengal used to yield 1·17 crores to the State. The rice mills have put thousands of paddy huskers out of employment and if he had autocratic powers he would immediately close them.

If the land revenue is increased up to 35 per cent. of the assets there would be an extra income of about 2 crores and this could be diverted entirely to agricultural improvement. No compensation need be paid to the zamindars on this account. He did not agree that there was any obligation on the zamindars to effect agricultural improvements. Pulbandi, i.e., repair of embankments, was taken over by the Government after the Permanent Settlement. State-purchase of zamindaris and tenures will not improve the condition of the raiyats: their rents are bound to go up.

The reason for the present non-payment of rent is the agitation which is being carried on by certain sections like the communists. He

said that he has great faith however in the peasantry and did not think they are likely to be led along the path of communism. He believed in reformation and not in revolution.

Employment outside agriculture has become necessary. The area of the province cannot be increased and while there are 30 million acres under cultivation the agricultural population is 34 million. He was in favour of attempting consolidation of holdings but it would be difficult to carry out.

VI. In reply to Sir Frederic Sachse, he said he was not in favour of imposing a cess in place of an agricultural income-tax or of increasing the land revenue as he has suggested, because if the cess was imposed it would have to be shared by the raiyats. It might however be possible to have a cess on the landlords only. He would prefer to call agricultural income-tax an "agricultural cess" in order to prevent it being merged in the general revenues. Taking five persons for each family an area of 5 acres per family would not be economic. The gross income would average Rs. 44 a head and after deducting all costs of cultivation the balance would probably be no more than Rs. 24 a head, i.e., Rs. 2 a month. This would not be sufficient for their maintenance. He agreed that there are many families owning 5 acres who pay their rent regularly and make a living. He doubted whether the statistical figures are accurate, and agreed that the outturn may have been underestimated. The fact that the outturn in Bakarganj is only about a third of that in China and Japan according to statistics indicates the unreliability of statistical figures. The present system of obtaining statistics of outturn is worthless. The statistical figures had led him to the assumption that most tenants must have some subsidiary incomes.

The census figures for "rent receivers" are not altogether correct. He himself is a tenureholder but was classified under the census as a service-holder. He had estimated that there are about 4 lakhs of tenureholders. From the figures which he had collected there are two lakhs of tenureholders in 14 districts. There are co-sharers and there may be two or more tenancies held by the same family. On these considerations he had estimated 4 lakhs of tenureholders. The rent-receivers enumerated in the census are persons who are mainly dependent on their rents. He agreed that they may include some raiyats who are entirely rent-receivers. If the State purchases the zamindaris and tenures the rates of compensation would vary for different kinds of tenures, viz., there would have to be different rates for mokarari tenures and for temporary tenures. Apart from that, the calculation should be made on the net profit. His estimate of cost at 15 per cent. was the total for all grades of landlords.

He thought it would be possible to arrange for the distribution of the increased land revenue, which he had proposed, among the tenure-holders as well as the landlords by some sort of revisional operation, the zamindar being responsible for the amount due to the State as in the case of land revenue and the road and public works cess. In the case of State-purchase there are bound to be many disputes between co-sharers over the payment of compensation and a crop of litigation will arise. This would be avoided by his proposal to increase the land revenue.

He agreed that consolidation of holdings would be easier to carry out if Government were the sole landlord. He suggested that experiments might be made in selected zamindaris.

VII. In reply to Dr. Mukherji, he said that the estimate of raiyati assets at 7·557 crores is on account of the area let out to raiyats. The cost of collection at 15 per cent. includes irrecoverables. If 25 per cent. is taken as the amount required to cover short collections, remissions, etc., under Government management the calculation for the area held by raiyats would be as follows:—

	Rupees in crores.
Assets	7·6
Less collection cost	1·14
	6·46
Less 25 per cent for remissions, etc.	1·90
	4·56
Minus land revenue (proportionate for the area let to raiyats)	1·42
	3·14
Minus the estimated share of landlord's cess excluding the khas lands	·30
	2·84

If compensation were paid at 10 times the net profit and interest were at 3½ per cent. on a loan of Rs. 47·4 crores (viz., 7·6 *minus* collection cost, etc., of the landlords 1·14, *minus* proportionate land revenue 1·42, *minus* cess ·30, i.e., a net of Rs. 4·74 which multiplied by 10=47·4), the interest would be 1·66 and the annual sinking fund with 30 years would be 1·19: and the operation would be a financial loss. The above calculation excludes the khas lands of the landlords: including khas lands, the calculation will be as in Statement "C".

Reckoning four persons to each family and a minimum income of annas 2 a head daily for their maintenance, the monthly income required would be Rs. 16 and the area required to produce this income

would be 8 acres. He agreed that industrial occupations must be found for the surplus portion of the population. This would require increased revenue for which he had suggested either an agricultural income-tax or an increase in the land revenue. The additional income from either of these sources should be used entirely for agricultural development. He agreed with the view which had been expressed by Mr. Nelson that it would be impossible to stop subletting and that so long as the rent is low, a tenant who wants to sublet will do so. If an attempt is made to stop subletting by law, the tenant would simply call his sub-lessee a labourer or find other means of circumventing the law. If the Permanent Settlement is abolished, instead of 1 lakh of landlords as at present, there would be 150 times that number.

If the number of tenures is 27 lakhs and there are five members in each tenureholder's family, there would be 14 million people deriving an income from tenures. According to the census figures there are 22 lakhs who are mainly dependent on rent receiving. The remaining 5 lakhs would presumably be dependent mainly on other sources of income. The census figures show the number of tenureholders who would really be hard hit by the abolition of the Permanent Settlement. It would probably be an over estimate, however, to take five members to each tenureholder's family. Four would probably be a nearer figure. There might therefore be 10 million people dependent on rent receiving of whom 2·2 millions are directly affected and are solely or mainly dependent on rent. Mr. Thompson's census figure was 1·32 millions. Generally speaking, his impression was that the total number in tenureholders' families would be about 10 million rather than the British Indian Association's figure of 14 million. As subsidiary occupations for the cultivators he recommended the salt industry, weaving, production of sugar, rice-husking and oil-crushing: vide paragraphs 30 and 85 of the General Note.

He was in favour of agricultural improvement, but doubted whether such improvement could be carried out by providing irrigation facilities in Bengal, as has been done in other provinces. The problem in Bengal is different, and at present no definite scheme exists.

He was not in favour of issuing bonds by way of compensation, and thought that it would be bad finance to have this perpetual charge on the State. The rate of interest should be 3½ per cent. According to the rate of compensation which he had proposed, a landlord with a net income of Rs. 1,000 would get 3½ per cent. on Rs. 16,000, i.e., Rs. 560. Dr. Mukherji asked for a calculation in his own case. Messrs. Andrew Yule are patnidars under him and pay Rs. 1,200 a year after clearing off the revenue and paying all collection costs. The Rai Bahadur replied that the total compensation on which interest would be calculated would, at 16 years' capitalisation, be Rs. 19,200. At 3½ per cent.

interest the annual income would be about Rs. 672. He agreed that State-purchase and compensation at the proposed rate would amount to a capital levy on the landlords and tenureholders and would exclude property owners in Calcutta and elsewhere. If money is to be raised for agricultural development, that can be done, provided that the increased revenue is used for that purpose only.

VIII. In reply to the Secretary he agreed that the Finance Department would not approve of taxation for a particular object but would insist on the increased revenue merging with the general revenues. It was for this reason that he preferred to call the increased income which he had proposed an agricultural cess. A good many landlords have purchased their estates at the full market rate relying on the assurance given at the Permanent Settlement. Many of them have carried out works of public utility on their estates. This expenditure has been in the nature of a free gift and he thought that it could hardly be considered a ground for compensation.

Agricultural income-tax should be based on the net income after deducting revenue, cess, and collection costs. If the net income exceeds Rs. 2,000 the tax should be levied. He did not agree that the tax should not be imposed in cases where zamindars are already paying a considerable portion of their income in land revenue. As he had mentioned in paragraph 83 of his General Note, the tax can, strictly speaking, be justified in the same way as road cess was justified in 1870, and the only justification for the levy of agricultural income-tax would be the same arguments as were advanced for the imposition of road cess. He would however avoid the term "income-tax" which might lead to super-tax.

In reply to Sir Frederic Sachse he said that if it is called income-tax it might not be possible for the Provincial Government to levy it. He would therefore prefer to call it an agricultural cess.

STATEMENT A.

Calculation of gross assets of zamindars and tenureholders.

I.—Permanently settled areas (revenue-paying).

	Area (million acres).	Rate per acre.	Amount (crores of rupees).	Remarks.
		Rs. a.		
(*a*) With raiyats on money rent.	24·70	3 0	7·41	
(*b*) With raiyats on produce and mixed rent.	·50	3 0*	·15	*Actual receipt is probably about Rs. 15 per acre. The stabler rate of the money rent of (*a*) has been taken for capitalisation.
(*c*) With rent free raiyats	·13	..	..	
Total from raiyats..	25·33	..	7·56	
(*d*) Khas of landlords—				
(*d*¹) Cultivated ..	3·00	3 0†	·90	†Actual may be Rs. 20 or 22 per acre : but the stabler rate of the money rent of (*a*) has been taken for capitalisation.
(*d*²) Uncultivated ..	9·04	0 8	·45	
Total for khas lands	12·04	..	1·35	
All total ..	37·37	..	8·91	

II.—Revenue-free estates.

For (*a*) ..	1·20	3 0	·360	
For (*b*) ..	·20	3 0‡	·060	‡Same remarks as against permanently settled areas.
For (*c*) ..	..	..	..	
Total from raiyats..	1·40	..	·402	

	Area (million acres).	Rate per acre.	Amount (crores of rupees).	Remarks.
For (d^1) ..	·30	3 0‡	·090	‡Same remarks as against permenently settled areas.
For (d^2) ..	·27	0 8	·014	
Total for khas ..	·57	..	·104	
III.—Temporarily settled estates.				
For (a) ..	1·77	4 6	·774	
For (b) ..	·10	4 6	·044	
For (c) ..	..	..	..	
Total from raiyats..	1·87	..	·818	
For (d^1) ..	·40	4 6	·175	
For (d^2) ..	1·07	0 8	·053	
Total for khas ..	1·47	..	·228	
All total ..	3·34	..	1·046	
IV.—Government estates.				
		Rs. a.		
For (a) ..	2·40	4 11	1·125	
For (b) ..	·10	4 11	·046	
For (c) ..	..	..	..	
Total from raiyats..	2·50	..	1·171	
For (d^1) ..	·30	4 11	·138	
For (d^2) ..	·85	0 8	·042	
Total for khas ..	1·15	..	·180	
All total ..	3·65	..	1·350	

(In crores of rupees.)

Grand total :—	From—	From khas lands.	Total.
I.—Permanently settled estates (revenue-paying).	7·56	1·35	8·91
II.—Revenue-free estates	·42	·10	·52
III.—Temporarily settled estates.	·82	·23	1·05
IV. Governmen estates	1·17	·18	1·35
Total ..	9·97	1·86	11·83

STATEMENT B.

Permanently settled area (revenue-paying).

	Million acres.	Gross annual value of landlords' assets (rupees in crores). Rs. a.	Capitalisation (rupees in crores).	
With raiyats on money rent.	24·70	3 0	7·41	Deducting 15 per cent. (1·134) on the raiyati rental (of 7·56) for cost of collection, etc., and the present land revenue of 2·15, net profit=5·63 (8·91—3·28). At 16 years' purchase=90 crores.
With raiyats on produce or mixed rent.	·50	3 0*	·15	
With rent-free raiyats ..	·13	..	..	According to Khan Bahadur A. Momin's suggestions—Deduct cost of collection, etc., at 12 per cent. (·91) and proportionate land revenue (1·42) for the raiyati area—net profit from raiyati area=5·23. He suggests compensating the landlords at 10 years' purchase of this: and no compensation for the khas area, though the State is to get the right of resettling it at Rs. 3 and annas 8 per acre (average Rs. 1-2, as against the present average of annas 9). The capital required would thus be 5·23 × 10=52·3 crores.
			7·56*	
Khas of zamindar and tenureholder—				
Cultivated. ..	3·00	3 0*	·90	
Uncultivated ..	9·04	0 8	·45	
Total ..	37·37		8·91	

*Taken at the average rate of money rent and not the actual receipt in produce (one-third or half) which may be Rs. 15 to Rs. 20 per acre.

	Financial result on the State. (In crores of rupees.) According to witness (Rai M. N. Gupta Bahadur).	According to Khan Bahadur A. Momin's assumptions.
Gross annual demand of Government—		
From rent-paying raiyats ..	7·56	7·56
From rent-free raiyats ..	·04	·04
From khas lands of landlords ..	1·35	1 35
Total ..	8·95	8·95

	Financial result on the State. (In crores of rupees.) According to witness (Rai M. N. Gupta Bahadur).		According to Khan Bahadur A. Momin's assumptions.	
Deduct cost of management ..	−1·34	(at 15 per cent.)	−1·07	(at 12 per cent).
Deduct for short percentage of collection and remissions, etc., under Government management ..	−2·24	(at 25 per cent.)	..	
Net receipt ..	5·37		7·88	
Profit and loss—				
Deduct present land revenue ..	−2·15		−2·15	
Deduct interest at 3½ per cent. ..	−3·15	(on 90 crores)	−1·83	(on 52·3 crores).
Balance ..	·07		3·90	
Deduct annual sinking fund at 2 per cent. with 30 years ..	−2·25	(multiplier ·025)	−1·31	(multiplier ·025.)
Loss ..	2·18	Gain ..	2·59	
With 60 years ..	·81	(multiplier ·009)	·47	(multiplier ·009.)
Loss ..	·74	Gain ..	3·43	

STATEMENT C.

Financial result on the State with compensation at 10 years' purchase for all lands in the permanently settled estates which are revenue-paying.

The amount of compensation would be 10×5·13 = 51·3 crores (i.e., 5·63 in the "capitalisation" column in Statement B *less* ·50 for the landlords' share of the road and public works cesses).

	(In crores of rupees.)	
Gross receipt of Government		8·95
Deduct—		
Cost of management	1·34	
For remission, etc., under Government management	2·24	
For present land revenue	2·15	
For landlord's share of the road and public works cesses	·50	
Total deduction		6·23
Net receipt		2·72
Outgoings—		
Interest at 3½ per cent. on 51·3 crores	1·80	
Annual sinking fund with 30 years	1·28	
Total outgoings		3·08
Loss		−·36

STATEMENT D.

Financial result on the State with compensation at 16 years' purchase for all lands in the permanently settled estates which are revenue-paying, including consideration of the road and public works cesses as in Statement C.

		(In crores of rupees.)
Net receipt of Government as in Statement C	.. .. ..	2·72
Outgoings—		
Interest at 3½ per cent. on Rs. 82·08 crores (16×5·13)	2·87	
Annual sinking fund with 30 years	2·05	
Total outgoings		4·92
Loss		—2·20
Or		
Interest as above at 3½ per cent.	2·87	
Annual sinking fund with 60 years	·74	
Total outgoings		3·54
Loss		—·82
Or		
With perpetual loan—Interest as above at 3½ per cent.	2·87	
Annual sinking fund		
Total outgoings		2·87
Loss		—·15

Memorandum by Khan Sahib Maulvi Kazi Muhammad Mohiuddin, B.C.S. (Retd.).

The Permanent Settlement was made with the zamindars of Bengal in 1793 with the object of fixing the land revenue in perpetuity. Frequent investigations for revision of revenue were troublesome and expensive to Government. A class of permanently settled zamindars would be a strong bulwark against disruptive forces and would improve the general economic condition of the country. It was expected that the zamindars would extend to their tenants "the same equity and certainty as to the amount of their rents and the same undisturbed enjoyment of the fruits of their industry which were meant to be given to the zamindars themselves."

Whatever the landlords might have done in the past for the economic development of this country it appears that they have overgrown their utility at the present times. They have certainly failed to perform the functions expected of them at the Permanent Settlement. The principal charge against them is that the abwabs and illegal impositions of rent far exceed the regular revenue though the prices of crops as well as the fertility of the soil have gone down considerably.

It is contended that whatever may be the merits and demerits of the Permanent Settlement its annulment would be a breach of a solemn pledge given by the East India Company to the zamindars. We agree that there is some force in this contention. The zamindars can legitimately feel themselves aggrieved if their rights to the land are taken away altogether without giving them any compensation whatsoever. We believe that the pledge which was given to the zamindars was a pledge to which the tenants were not parties and that it was a measure which permanently crippled the financial resources of the country. The Permanent Settlement undoubtedly worked well for sometime and fulfilled the expectation of its framers. But as we have said before it has outgrown its utility at the present time. The zamindars have failed to be "Ma Bap", and they have lost their hold on their tenants mostly for their own faults. Most of them are "absentee" landlords rolling in luxury in the Metropolis while the poor tenants who supply him with his limousines and electric lights, rot in villages to keep his own body and soul together, unlooked, unattended and uncared for.

This calls for the immediate abolition of the Permanent Settlement after paying adequate compensation to the parties to be affected consequent upon this measure. The abolition of the zamindari system will put a stop to the appropriation of the major part of the income from land to the zamindar, it will prevent subinfeudation of tenancy and lead to

equitable assessment of raiyati rents. It will also save the actual tillers of the soil from harassment and oppression.

We advocate the payment of compensation to the zamindars and others whose rights would be affected by the abolition of the Permanent Settlement. We would suggest that they be paid 10 times on their profits. The total sum required for this purpose may be met by the issue of debentures or bonds redeemable after 70 years. The rate of interest on these bonds or debentures may be fixed at 3½ per cent.

We are of opinion that the interests of all middleman-holders between the zamindars and the tillers should also be purchased by the State and the raiyat should come directly under Government.

The rate of rent of the tenants should also be reduced so that the tenants may improve their present condition, which no doubt is miserable.

Reply by Babu Jogesh Chandra Chakrabarty, Deputy Collector and Khas Mahal Officer, Mymensingh.

Q. 18. *Vide* Appendix I attached.

Q. 19. If they are governed by the same law and procedure for collection of arrears the raiyats would prefer to come under Government and pay rent to it direct.

Till the economic depression set in, the large majority of the raiyats paid their rents voluntarily and coercive measures had to be adopted in very few cases.

But there is at present a growing unwillingness among the tenants to pay rents, a tendency that is being more or less encouraged by unwholesome propaganda of self-seekers; and the tenants, most of whom are illiterate and unable to foresee the ultimate loss or gain, consider it a great advantage not to have to pay their rents regularly.

They can withhold payment more successfully in private estates than in estates managed by Government. In order to save expenditure, private landlords do not, as a rule, file rent suits until 4 years' rent has fallen due, and the rent suits again involve a dilatory process. But in estates managed by Government the rents are more punctually realised by the certificate procedure (recently suspended).

Another objection of the tenants is that in khas mahal areas general enhancement of rent takes place periodically while the private landlords hardly seek for such general enhancement. But this consideration is outweighed by the fact that under private landlords they have to pay abwabs which are non-existent in khas mahals and by the following advantages they enjoy in khas mahals:—

(1) In khas mahals the tenants get a sort of paternal care and attention from the officers, which they lack in private estates.

(2) In times of agricultural and other calamities the khas mahal tenants get far greater attention and assistance from the khas mahal officers than the tenants under private proprietors get from their landlords.

(3) The khas mahal officers keep a watch on the progress of cultivation and help the tenants in growing their crops properly arranging for agricultural loan, etc., when necessary, but these are no part of the consideration of the private proprietors who are interested only in collection and not in the welfare of the tenants.

(4) The khas mahal tenants get better justice in the matter of settlement and have to pay a lower rate of salami.

(5) On a general failure of crops the khas mahal tenants get remission and suspension of rent but the tenants under private proprietors do not, as a rule, get these concessions.

(6) Government looks to the improvement of the khas mahal estates and spends for it every year. Private proprietors do very little for the improvement of their estates.

(7) In khas mahals there is fair field and no favour, and uniform principles are followed in assessment, settlement, remission, etc., but in private estates favouritism and personal considerations get the upper hand in everything.

Q. 25. I am in favour of extending this principle to all classes of tenants but I would like to confine this right to lands which they cultivate either with their own labour or with hired labour or through bargadars. There are tenants described in the pattas and kabuliyats and also in the settlement records as raiyats who have sublet all or most of their lands and do not even count on agricultural income as the main source of livelihood. Similarly there are tenureholders recorded as such in the pattas and kabuliyats as also in the record-of-rights who have all the lands in their cultivation. It is hardly fair that the former should get occupancy right because a false name was used in the lease and the latter should be deprived of this right on the same ground. Nor is it fair that a lessee should be allowed to prevent the acquisition of occupancy right by his under-raiyats by adopting a false name of raiyat for himself. I have seen many cases in which persons desirous of sub-letting took settlement in raiyati right from the tenureholders and then gave under-raiyati leases to cultivators.

The principle that the nature of the tenancy should be determined by the intention at the inception is elusive to a degree, because the original intention might be nothing but a fraudulent one or it might be a case of the lessor's refusal to grant anything but a tenure lease.

The result is that all raiyats are not cultivators nor all cultivators are raiyats, and all tenureholders are not rent-collectors. Again there are many raiyats and tenureholders who have sub-let some of their lands and kept the others in their own cultivation.

From time immemorial those who till the soil have been recognised as its owners, Manu says, "Sages pronounce cultivated land to be the property of him who cut away the wood and who cleared and tilled it" Chapter IX, Sloke 44.

The other classes above them were nothing but agents of the governing power for collection and management. Though the Permanent Settlement gave a sort of proprietary right to the zamindars it was given subject to and not in supersession of the customary rights of the tenants. The zamindars derived their right from the Sovereign power

and by limitation of the rights of the Sovereign power, but none of the rights of the tenants were transferred to them or otherwise withdrawn. On the other hand it was the aim of the subsequent legislators to give more and more rights to the cultivators.

It is not desirable that a large section of the tenants should be deprived of the enjoyment of these rights by the accident of this or that nomenclature being given to them.

Hence it is necessary to fix as the criterion not any particular description of tenants but the mode in which they possess their lands. The law should be that a tenant whether he be a tenureholder or raiyat or under-raiyat according to the present nomenclature will acquire occupancy right in any land which he has cultivated for 12 years either with his own labour, or with hired labour or through bargadars and that he will be divested of this right though previously acquired from any land which he has not cultivated as above but is in occupation of under-tenants for a period of 12 years.

This will put a stop to subinfeudation and profiteering in land at the cost of the cultivators.

Q. 26. The answer to question 25 will show that I am not in favour of protecting those who have partly or wholly sublet their lands.

The line of consideration should be from the land to the tenant and not from the tenant to the land. If a raiyat has sub-let part or whole of his holding, he is no longer a raiyat in the proper sense of the term so far as the land so sub-let is concerned. Even under the existing law a man who is a raiyat in one land may be a tenureholder in another land comprising another tenancy, and a proprietor in a third piece of land. Because he is a raiyat in one he is not given any protection in the other lands which he does not hold as a raiyat.

So if a raiyat has sub-let any lands, whether part or whole of his holding, he should not have any occupancy right in the land so sub-let but he will retain his occupancy right in the land not sub-let. If the law is framed thus the Courts will pass a decree of ejectment in respect of the plots sub-let but not in respect of the other plots. All classes of tenants should have occupancy right in their homesteads.

Q. 27. Article VI of Regulation I of 1793 enjoins on the proprietors that they should conduct themselves with moderation towards their dependent talukdars and raiyats and appeals to time-honoured custom. Article VII reserves to the Government in general terms the right to enact such Regulations as may be necessary for the protection and welfare of the dependent talukdars, raiyats and other cultivators. In his Minute of the 3rd February 1790 the author of the Permanent Settlement distinctly recognised the right of the raiyats to hold their land on established rent.

The Court of Directors in their reply, dated 19th September 1792, approving the Permanent Settlement expressly reserved the rights, as Sovereign power, of interposing in and making from time to time, "all such regulations as may be necessary to prevent the raiyats being improperly disturbed in their possession, or loaded with unwarrantable exactions" saying that this was "clearly consistent with the practice of the Moghul Government under which it appeared to be a general maxim that the immediate cultivator of the soil, duly paying his rent, should not be dispossessed of the land he occupied". Regulation VIII of 1793 passed on the same day as Regulation I contains provisions for the regulation of the various subordinate tenures, revision of the impositions denominated "abwabs" on raiyats (section 54), prohibition of new cesses on raiyats (section 55), specification of customary rents of raiyats in the pattas (section 56), and commutation of the same (section 57), and also provides that the leases of under-farmers and raiyats should be respected (section 60). Regulation XLIV passed on the same day provided (section 5) that when pattas of raiyats shall expire or become cancelled no proprietor shall require the raiyats to take out new pattas at higher rates than the established rates of the parganas for lands of the same quality and description.

Evidently therefore it was the intention of the Permanent Settlement to give protection to all classes of tenants connected with agriculture.

But from the total absence of any reference to non-agriculturists and from long-standing usage it can be inferred that it was not intended to give protection to non-agriculturists.

Occupancy rights should be given to certain classes of non-agricultural tenants only, viz., those whose leases are in respect of lands on which dwelling houses, manufactories or other permanent buildings have been erected or permanent gardens, plantations, tanks, canals, places of worship or burning or burying grounds have been made or wherein mines have been sunk.

The interest of such tenants is even now protected under section 160, Bengal Tenancy Act, in a sale for arrears of rent and under section 37 of Act XI of 1859 in a sale for arrears of revenue.

Ejectment of such tenants causes great hardship to them, gives a huge amount of unearned profit to the landlord in some cases and is detrimental to the interest of the public as a whole.

The other classes of non-agricultural tenants the majority of whom, in non-municipal areas, are shop-keepers, should not have occupancy right, because to give them such permanent right is detrimental to the development of commerce and industries and hence to the interest of the community as a whole.

Q. 28. The statutory right should not persist in lands converted to use for non-agricultural purposes except in the classes of lands enumerated above which should receive special treatment for reasons stated above.

The cultivators have been given certain statutory rights as cultivators and not in any other capacity. Those rights should cease in respect of lands which they no longer hold for agricultural purposes.

As regards levy of an additional tax on such holdings the position will be different in permanently settled estates from that in temporarily settled estates (supposing that Permanent Settlement will not be abolished). In permanently settled estates the State cannot, in view of the Permanent Settlement Regulation, impose any land tax direct on the tenants. Such land tax is only another name for rent which is payable to the proprietor and not to the State. The ground rent for non-agricultural lands was never resumed though other sayer collections were resumed by the order of the Governor-General in Council referred to in Article VII of Regulation I of 1793. Moreover, these were pure agricultural lands at the time of the passing of the above Regulation.

It is all the more unfair to make such direct levy in the name of giving the tenant a right at the cost of the proprietor. All that can be done is to levy a tax on the income of the tenant from the business conducted by him on the land, or a duty on the commodities. But if that is done there is no reason why others carrying on similar business though not on converted lands should not be similarly taxed. The tax being a price or compensation for allowing the tenant his original rights as a raiyat in the converted holdings should in fairness go to the landlord and not to the State. As regards temporarily settled estates the Non-agricultural Lands Assessment Act XIX of 1936 has laid down the principles on which assessment of rent for such lands has to be made and that will give adequate increase of revenue for the conversion. No further levy for allowing the statutory rights to continue is called for.

Q. 29. The number of bargadars, adhiars and bhagchasis are on the increase due to the following causes:—

(1) Acquisition of lands of cultivators by middle-class bhadraloks during the economic depression in satisfaction of debts or otherwise and letting them out to the cultivators in barga.

(2) Spread of education among the cultivating classes, resulting in a change in their outlook on life and throwing open of more and more appointments in Government service to people belonging to the agriculturist families.

(3) Attenuation of agricultural income due to fall in prices which has led a section of the cultivators having small quantities of land to leave their hearth and home in search of employments elsewhere giving their lands in barga to their neighbours.

(4) Due to the uncertainty of the money market, failure of the mufassal banks to pay their creditors and the failure of the agriculturist debtors to pay their debts and also the passing of the Debt Settlement Act, investment in land has become practically the only safe mode of investment by middle-class bhadraloks. Hence there are more and more purchases of lands by bhadraloks and a consequent increase in barga leases.

(5) The economic depression hit the cultivators and the mahajans and landlords but not the service-holders.

Taking advantage of the fall in the prices of land and the inability of the cultivators to purchase, the non-agriculturist service-holders acquired lands and then gave them in barga.

Q. 30. (*i*) is not correct.

The suggestion is that because the amending Act has not given any statutory right to the bargadars the tenants are introducing more and more bargadars. But the bargadars had no statutory right before the amendment. It was only in judicial decisions that bargadars who supplied seed and plough and cattle were regarded as tenants by implication. But the door for such recognition is still open under item (*ii*) of the proviso to clause 17 of section 3 of the Bengal Tenancy Amendment Act.

(*ii*) is not correct.

Though occupancy holdings were not transferable before the passing of the Act of 1929 they used to be transferred almost without any restriction and the transferees, especially the non-agriculturists among them, had very little difficulty in getting recognition. They could obtain recognition on payment of a much lower fee than that fixed by the Act of 1929, and ejectment suits were few and far between.

The facilities for transfer given by the Act were outweighed by the prohibitive rate of transfer fee fixed by it which resulted not in an increase but in a considerable decrease in the number of transfers.

(*iii*) This is the main factor.

Q. 31. Each bargadar holds about 2 acres of land on an average. The majority of the bargadars also hold land in under-raiyati right, such land being in most cases their homestead. The number of bargadars having raiyati land is not large.

Q. 32. I do not think it advisable to extend the right of occupancy and other rights to bargadars though the most serious objection against it has been removed by repealing the law of commutation, because—

(1) They are not tenants in the proper sense of the term—

(*a*) What they pay for use and occupation of the land is a variable amount.

(*b*) A tenant is responsible for the due discharge of his rent irrespective of the yield of the land but a bargadar is not so responsible. He runs no risk practically, and what he gets is, properly speaking, a remuneration for his labour and care-taking.

(*c*) If a tenant cannot eject a bargadar who does not cultivate the land properly he (the tenant) will be ruined as he has to pay a fixed amount of rent to the superior landlord punctually.

(*d*) In many cases the bargadar has no independent possession or cultivation but cultivates under the supervision of and with monetary help from his landlord whose main source of maintenance is agricultural income.

(2) It is against the long-standing custom of the country to give the bargadars tenancy right or occupancy and other rights. I have seen many cases in which bargadars though recorded as tenants in the Settlement record have given up their lands amicably in view of the time-honoured custom.

It is a fact that the system of payment of rent in kind and of paying a share and not a fixed quantity of the produce was much in vogue in the golden age and till the time of Todar Mal. But along with it there was the superintendence by the village community and the obligation of the tenants to cultivate their lands properly. Tenancy right in the bargadar without a corresponding obligation on his part to cultivate his land properly will amount to a licence resulting in loss to the landlord and to the community as a whole.

(3) Any proposal to give tenancy right to the bargadars will give rise to widespread consternation and many bargadars will be turned out of their lands as happened at the time when the recommendation of Sir John Kerr's Committee of 1921 became known, and there will be great distress among the landless cultivators who will be reduced to the position of labourers.

I do not think the bargadars as such need any protection. A bargadar who gives proper attention to the land and is faithful is seldom turned out from his land. If he is lazy or has not the means to continue cultivation he deserves to be turned out. There are very few instances in which men having plough and cattle and other means of cultivation have lacked barga lands. The position is better now than it was before as there is a tendency among the hereditary cultivating classes to become non-agriculturists gradually.

What is needed is not protection of the bargadars but prevention of acquisition of lands by non-agriculturists so that *bona fide* cultivators, who have become bargadars under pressure of circumstances and are therefore languishing for want of adequate income, can get better

opportunity of acquiring raiyati lands and cultivate not as bargadars but as raiyats.

Q. 33. Though the bargadar gets a profit without any great risk from land which would not otherwise be available to him the system is economically unsound so far as the landlord and the community as a whole are concerned, for the following reasons:—

(*a*) The profit of the landlord is divided. This is no loss to the community as a whole, as what is lost to the landlord is gained by the bargadar.

(*b*) The produce of barga land is, as a rule, less than that of the cultivator's own land as he does not take proper care about the barga land by manuring it or in other ways. This is a loss to all parties concerned.

This can be only partially prevented by giving the bargadar occupancy right in which case he will try to improve the production with a sense of security. But he knows that the fruits of his additional labour will be divided half and half and that it will be more profitable to him to turn his attention to his own land when he has such land or to take some more barga plots and then leave all of them to nature after the minimum exertion.

So either the system will have to be made economically sound or its extension will have to be prevented. One way of making it economically sound is to enact a provision of law that where the produce of a barga land is appreciably less than the produce of similar lands in the vicinity the landlord will have the right to realise his share of the difference by suit and when the tenant spends money on manure the equivalent of such money should be deducted from the quantity of produce to which the landlord would otherwise be entitled.

But while it is necessary to make the existing barga leases more economic in the above manner it is also necessary to prevent its extension with a view to improve the economic condition of the agriculturists. One way of doing this is no doubt to give occupancy right to the bargadars and thereby hasten their extinction, as their landlords will resume the lands at once and get them cultivated by hired labour. But that will be a suicidal policy as it is the actual cultivator who deserves more help from the State.

The prevention of the extension of the system must be by way of helping acquisition of lands by *bona fide* cultivators and putting a check on acquisition of land by non-agriculturists. I think legislation to the following effect will secure this object:—

(1) Purchase of land in future by anybody who has no cultivation of his own in the village in question or in the contiguous village should be invalidated. In the case of immigrants the purchase will be

invalidated if they do not settle in the village and take to khas cultivation of the lands purchased within 2 years of the purchase. If any body emigrates from the village within 6 years of the purchase after settling there, the landlord will have the power to eject him.

(2) In the case of all new settlements and resettlements the *bona fide* cultivator should have preference by statute over all others and among them the following should be the order of preference:—

(*a*) The bargadar on the land.

(*b*) The cultivator of the nearest land having less than 5 acres of land to his credit.

(3) Both the bargadar and his landlord will have the right to have a fixed produce rent assessed by the Court provided that such assessment will automatically give the bargadar all the rights of a tenant of his grade.

Q. 34. The effect will be as follows:—

(1) Most of the bargadars will be turned out from the lands before any such law is enacted, and employed as labourers for cultivation.

(2) A system which is economically unsound will be perpetuated.

(3) Once the bargadars are secure in their right they will default in payment of the barga share and litigation will increase causing loss and hardship to both the parties.

The bargadars will not be thrown out of employment as they will have to be engaged as labourers for the cultivation of the lands. But they will be definitely poorer by the change.

Q. 35. I have seen the proportion vary from two-thirds to seven-sixteenths. In the same area the proportion sometimes differ in the case of different crops. Half the produce is, however, the normal rate and seems to be fair. It has the sanctity of custom about it as is clear from the term "adhi" which means half. Considering the cost of labour, etc., I do not think the bargadar should get less than half. But there is very little competition among the bargadars for lands and hence the rate is not likely to be raised on an extensive scale in the near future. I do not think it necessary to fix a maximum by law. But a maximum, viz., half the produce has already been fixed by section 178 (*e*) of the Bengal Tenancy Act.

Q. 36. The wages of agricultural labourers fluctuate between 2 annas and 1 meal to 8 annas and 1 meal per diem. But the majority of them have to sit idle in the off-seasons when there is no cultivation or harvest. They are far worse off than bargadars but on an equal footing with under-raiyats.

It is, however, very difficult to draw a clear line of distinction, as the majority of the agricultural labourers are also under-raiyats and some of them at least are also bargadars.

Q. 37. Lands have passed to non-agriculturists not due to the Act of 1928 but due to items 1, 4 and 5 of the answer to question 29.

The abolition of transfer fee by the Act of 1938 has certainly facilitated transfer of land. But it has come too early by a few years. Had it been abolished after the economic recovery of the agriculturists by settlement of their debts and a rise in prices there would have been no cause of fear, that this measure would result in the transfer of more and more lands to the non-agriculturists. But it has come at a time when non-agriculturist service-holders are much better off than the agriculturists and hence it has indiretly facilitated transfer of more and more lands to the non-agriculturists. It is prejudicial to the interest of the cultivating raiyats to this extent.

Transfer should be restricted to agriculturists only. This is quite practicable vide answer to question 33.

Q. 38. 5·00 acres is the minimum size of an economic holding in the case of dofasli (double-cropped) lands and 7·50 acres in the case of ekfasli (one-cropped) lands.

Q. 39. Yes.

Q. 40. Consolidation of holdings is desirable for more economic cultivation but it is practicable only partially. This can be done by exchange with mutual consent effected by revenue officers appointed for the purpose and giving the right of pre-emption and preferential claim to settlement to the nearest cultivator having less than 5·00 acres of land.

But the best course is to introduce cultivation on a co-operative basis under strict official supervision with a view to safeguard the interest of the individuals concerned. This is quite feasible and will help in bringing back the peace and happiness of the ancient democratic village communities.

Q. 41. Yes, but this will not be necessary, if cultivation on a co-operative basis is introduced.

Q. 42. Accumulation of large areas in one particular hand is undesirable because it results in barga-letting, and the actual tillers of the soil suffer thereby for want of land. Twenty acres of land is enough for the biggest agriculturist family but I have seen tenants having two hundred to two thousand acres of land while their neighbours have little or nothing and are either the labourers or bargadars of those tenants.

It is not desirable to allow any one tenant to have more than 20 acres of land as he does this at the cost of his poorer neighbours who are the real *bona fide* cultivators.

The acquisition of too many raiyati holdings by any one man can be prevented by invalidating transfer to anybody having in his own name or in the benami of others or in the name of the other members of a joint family more than 20 acres. But as that will allow everybody to purchase up to a limit of 20 acres it will deprive to that extent the poorer cultivators of a chance to acquire land and also put an artificial embargo on transfer of land. So a better method is to give the right of pre-emption to the nearest cultivator having less than 5·00 acres of land and give him a preferential right of settlement.

Q. 52. Whatever be the principle adopted for assessment, the rent for agricultural land must, in order to be fair, bear a fair proportion to the profit of the tenant derived from the land, or in other words, it must in the ultimate analysis bear a fair proportion to the value of the produce. Any other principle of assessment would be arbitrary. Till commutation on a large scale was adopted by Todar Mal rent in all the provinces of India used to be realised in the shape of a share of the produce.

The question now is whether the rent should be a definite share of the produce or a definite share of the profit of the cultivators. The latter method aims at a more detailed calculation than the former.

I do not see any material difference between items 1 and 2 of this question. For example, the value of the produce of land just repaying the cost of cultivation as contemplated in item 1, is the same as the cost of cultivation; and the difference spoken of here is the same as the profit of the cultivator spoken of in item 2. Again, supposing that the value of the produce is Rs. 60 and cost of cultivation Rs. 30 giving a profit of Rs. 30 all that we have to do to secure, by the method of calculation mentioned in item 3, the same result as in items 1 and 2, is to fix the rent at one-fourth of the value of the produce.

It is, I am afraid, fallacious to say that according to item 3, the poorer land pays higher rent in proportion. Supposing that the value of the produce of the inferior land is Rs. 48 the rent at one-fourth would be Rs. 12. All that can be said against it is that the rent bears a higher proportion to the profit as the profit is smaller. The reduction of profit like the produce is shared by the landlord and the tenant in the proportion of 1 and 3.

No doubt, to assess the value of a definite share of the profit would be, theoretically, the finest method of calculation of rent, but such calculation is attended with very great practical difficulties.

First, it is very difficult to ascertain accurately the cost of cultivation and it varies from time to time and is different under different circumstances. Again it is doubtful if the cultivator can rightly claim the wages of his own labour as well as a share of the profit far in excess of the prevailing rate of interest on the amount spent by him.

If by the very condition of his tenancy he is to cultivate his land himself there is no reason why he should get a share of the profit as well as the wages of his labour.

Introduction of such controversial elements makes the calculation of rent complicated and gives the courts a very uncertain basis for their decisions. Different courts will come to different findings about the cost of cultivation and there will be no end of litigation.

So from the practical point of view a definite share of the produce is the best criterion.

It is hardly unfair that the tenant should get a lesser profit from an inferior land. When he took the land he did not certainly expect to get as much profit from it as from the better land. One who invests money in a less profitable business should not complain of a lesser profit.

A definite share of the produce has the stamp of long usage on it as this was the method of calculation from the early Hindu age down to the Moghul regime.

As regards item 4, a percentage on the market value is not the best method of assessment on lands yielding crops. Rent is nothing but a tax on land and must be based on the income or profit derived from it. The best way of making such assessment is by a consideration of the produce of the land.

The market value of the land varies according to demand, according to change in the economic condition of the candidates and according to situation and various other circumstances.

Moreover, the number of transfers during a period of say 10 or 15 years is too small in comparison with the number of plots in any locality to allow of a fair average applicable to each individual land being struck. So market value can never be the fairest basis for calculation. But that is the next best method and hence this method has been adopted in the Bengal Non-Agricultural Land Assessment Act which deals with lands that do not yield any crop.

As for item 5, customary rates of ancient times were based on an appraisement of the produce of the land and were therefore fair. But the customary rates we find now are very much different from those

prevailing in ancient times. In the case of the khudkasht raiyats holding from the Hindu age the illegal impositions made by the autocratic raiyats and zamindars were all amalgamated with the rent, which amalgamation was finally authorised by section 54 of Regulation VIII of 1793.

The customary rates assessed in more recent times have no reference to the produce of the land but were assessed arbitrarily by the all powerful zamindars. But it must not be thought that because the rates were fixed arbitrarily therefore they were unfair in comparison with the value of the produce in all cases. But the basis itself being illogical any assessment made on this basis by adjustment due to rise in prices is bound to be illogical and will give unfair results in those cases where the customary rates are really unfair in comparison with the value of the produce.

As regards item 6, rents fixed by competition are sure to give unfair results especially when the majority of the cultivators are illiterate.

The barometer of demand for land rises and falls not only with the rise in the price of agricultural produce but also with the quantity of land available and the number of candidates. In Noakhali khas mahal, large quantities of land were settled at a high rate of rent during the boom in the pre-depression period when there was a great craze for land and the cultivators were anxious to take settlement at all costs. But the results were disastrous inasmuch as the tenants failed to pay the high rates of rent and salami and the lands had to be purchased back by Government.

A competitive rate might be fair for the time being only but it cannot be fair for any considerable period of time.

Q. 53. In Government estates most of the rents, nearly two-thirds, are fixed on a consideration of the productivity of the land and the rest on competition. In permanently settled estates nearly half the rentals are fixed on custom (not in the proper sense of the term but in the sense that it has been created by the arbitrary will of the zamindar or is an amalgam of the old customary rate and the subsequent) and half on competition. The majority of the rents in permanently settled estates can be described as lump rentals but not so in Government estates.

In Government estates the rates of rent of raiyats under Government in a village or estate do not differ greatly and hardly differ at all. But those of raiyats under tenureholders differ greatly.

In permanently settled estates the rates of rent of raiyats immediately under the proprietors or immediately under big patnidars or other big tenureholders do not differ greatly. But the rents of raiyats under smaller tenureholders do so differ.

Q. 54. It is not correct to say that the poorer and weaker tenants pay higher rents in many estates.

But the rate of rent varies inversely with the rate of premium paid at the time of settlement.

(*a*) So the initial premium is one of the factors that has played a part in fixing the rents in Bengal. It is also found that the jungle-bary or abadkari talukdars and other reclaimers of the soil are in many places recognised as being entitled to hold at concessional rates of rent.

(*b*) Fixity of rent under contract or by statute in some cases and enhancement of rent amicably or by statute, are two other factors responsible for the difference in the rate of rent.

(*c*) Subinfeudation is other factor. The more subinfeudation there is the higher the rates of rent tend to be.

For example, a proprietor who settles a tenure at a rate of Rs. 3 per acre is satisfied with a rate slightly above Rs. 3, say Rs. 4 from his direct raiyats. But the tenureholders will not settle any land with raiyats at less than Rs. 5, as he must reserve a fair amount of profit to himself. And when the tenure is made khas we have two sets of raiyats under the same proprietor at two different rates of rent.

This explains the divergence of rates that is found among some raiyats in Government estates.

(*d*) The consideration of profit to the lessor has played a most prominent part in the fixation of rent.

A proprietor who has to pay a rate of Rs. 2 per bigha as revenue will assess a higher rate on his rayats than one who has to pay a rate of Re. 1 per acre as revenue. And it is well-known that the rates of revenue fixed in perpetuity by the Permanent Settlement Regulation were very unequal and in some cases grossly unfair to the proprietor and in others grossly unfair to the State.

The consideration of profit to the landlord is also the reason why the raiyati rates in revenue-free estates are generally lower than those in revenue-paying estates.

Q. 55. The rents should be readjusted on a uniform basis throughout all parts of the province.

If it was a mistaken financial policy to fix the demand of the State from the proprietors in perpetuity. It will be an equally mistaken policy to allow the fixity of the rent of the mokarari raiyats and tenureholders, which is the outcome of that policy, to continue. It will also be a mistake not to reduce the rack rents levied by the proprietors and their underlings on the strength of the declaration

made in the Regulation of 1793 by which the State, at least partially, withdrew from its duty of protecting the tenants in the matter of assessment and delegated its power of control to the proprietors.

A new record-of-rights should be prepared if possible. Otherwise the old record-of-rights should be maintained and the rents revised on the basis of a definite share of the last 10 years' average price of the produce ascertained by crop-cutting experiments, the machinery employed being similar to that employed in the revisional settlement operations in temporarily settled areas. Crop-cutting experiment on each individual plot is not contemplated. A fair working basis will be found if experiments are carried out in a few representative plots and then the result applied to all similar plots.

Q. 56. The equivalent in cash of a definite share of the produce should be paid by all cultivators.

The proportion of the produce paid as rent has been different in different ages.

According to Manu the King's share is to be one-eighth, one-sixth or one-twelfth, according to the nature of the soil and the labour necessary to cultivate it (Chapter VII, Sloke 130); but in times of prosperity the King should take only one-twelfth (Chapter X, Sloke 120), while in times of urgent necessity he may take one-fourth (Chapter X, Sloke 118, 120). The mean of all these is approximately one-sixth.

During the time of Sher Shah rent was realised at one-fourth of the produce payable in kind or cash. Todar Mal fixed the rate at one-third of the produce payable in cash or kind.

Shivaji fixed two-fifths of the produce payable in cash or kind as the rent.

It is quite well-known that in the old days the tenants had to pay nazar, bhet, begar and other abwabs to the landlords in addition to the rent.

At the same time they succeeded in keeping down the assessment on the whole by corrupting the officers reponsible for the assessment of rent.

The needs of the tenants in terms of money have since increased due to a change in the outlook on life; and the needs of the State have also increased, all for the protection and benefit of the tenants.

Considering all things, and also comparing the value of the produce with the cost of cultivation, I think one-sixth of the produce to be a fair proportion that the State can demand as rent.

Q. 57. The rent should not be fixed in perpetuity. The fixity of land revenue, and at a rate unconscionably low in comparison with the assets, is the main cause of the financial poverty of the Bengal Government, and the fixity of rent of a large section of the tenants, some of whom even enjoy rent-free lands, is the main cause of the backwardness of the Bengalis in industry, trade and commerce. The people of the district of Burdwan are the most homekeeping and backward in education because most of them have rent-free lands due to the munificence of the Maharaja of Burdwan. The same argument applies though with less force in other parts of the province. And while Government is deprived of its due share of the produce of the soil on account of the Permanent Settlement it cannot carry out any extensive taxation programme in order to supplement the income on account of land revenue as a howl of protest is raised against every such scheme, and the Government becomes unpopular by carrying out any such scheme in the teeth of opposition. The result is that Government cannot spend enough money on schemes of development, agricultural or industrial.

The raiyats and the middle-class bhadraloks on their part are loth to go out on any sort of adventure as they have landed properties from which they can some how eke out an existence.

The exchange value of money rent (by which I mean its purchasing capacity) must fluctuate according to the rise and fall in prices.

So the amount of rent also should be alterable according to the alteration in the price of the staple food crops. And where the rent is equal to the price of a share of the produce at a certain time it is all the more necessary to alter it according to the alteration in the price of the produce.

Moreover, lands improve or deteriorate due to fluvial action producing more or less in consequence and the produce increases also when works of improvement are carried out by the landlord.

So the mistake made at the time of the Permanent Settlement should not be repeated.

According to the Bengal Tenancy Act 15 years is the period after which rent can be revised.

Considering the question of change by alluvion and diluvion 15 years is neither too short nor too long so far as the riparian districts are concerned.

But in the other districts another 5 years may safely be allowed. In view of the fact that a change in the rate will only be made on a change in the price of the produce, 20 years may be uniformly

adopted with a view to allow any temporary fluctuation in price to pass off and the change in price, if any, to settle down.

Q. 58. There will be no advantage but definite disadvantage if an income-tax on profits from agriculture be substituted for rent.

Appraisement of crop will have to be made from plot to plot every year in all seasons necessitating entertainment of a huge staff for it. And the system will encourage corruption to a great extent, Government being deprived of at least a part of the legal tax.

Fixation and periodical revision of rent will involve much less expenditure and the chances of corruption are almost nil.

The answer to the second part of the question is in the affirmative.

The proportion will steadily tend to increase due to subdivision of holdings *bonafide* and *malafide* and corruption among the staff.

Q. 59. The Act is defective in the following respects:—

(*a*) It proceeds on the assumption that the rent now being paid was fair at the time it was settled by contract.

(*b*) There is no provision in it for curing or preventing rack renting by private landlords. Under section 38 rent can be reduced for deterioration in the quality of the soil and fall in prices but there is no provision for cutting down high contractual rents.

(*c*) It is definitely pro-landlord and anti-tenant as will be clear from the fact that, under clauses (*a*) and (*b*) of sub-section (I) of section 38 the tenant can ask for reduction of rent only when the soil has permanently deteriorated or the prices have fallen due to a permanent cause, but in the case of enhancement of rent (*vide* section 30) no permanent rise in price nor permanent improvement of the soil is insisted on.

(*d*) The landlord can obtain enhancement when the rate is below the prevailing rate [*vide* section 30(*a*)], but the tenant cannot claim reduction on the ground that this rate is above the prevailing rate.

(*e*) According to the present law the rent need not have any reference to the value of the produce.

(*f*) It gives the Courts and the Revenue Officers power to enhance, reduce and alter existing rents on certain grounds, but it does not give them any power to fix initial rent for lands which do not bear any rent at present. Section 104 gives the Revenue Officer power to settle fair and equitable rents for tenants of every class. But this section is not independent of section 104A which lays down the principles on which fair and equitable rents are to be settled and the proviso to this section clearly indicates that it is governed by sections 6 to 9, 27 to 36, 38, 43, 50 to 52, 180 and 191 which

do not deal with assessment of initial rent. Even section 191 is not independent of these sections.

(*g*) Sections 9, 29 and 37 bar a second enhancement within 15 years. But there is no provision barring enhancement of a rent within a few years of its being initially settled by contract.

(*h*) Under section 52 rents fixed on a certain rate per unit of area can be increased or decreased for alteration of area. Lump rents cannot be so altered unless it can be shown that some of the land has gone out of the holding or some additional land has been included in it. It ignores the fact that even lump rentals are fixed in consideration of the area and that on remeasurement the area is frequently found to be different from the original area due either to mistake or to fraud at the time of settlement.

(*i*) Prevailing rate in section 30 is an unfair basis for enhancement as it assumes that because the majority of the tenants pay this rate it is fair. But the prevailing rate itself may require an enhancement or reduction under the present conditions and cannot therefore be a fair standard.

(*j*) In temporarily settled estates it is obligatory on the Revenue Officer preparing a record-of-rights to fix a fair and equitable rent whether the tenants ask for it or not. But in permanently settled estates nothing is to be done until either of the parties moves the Revenue Officer in each individual case. And in very few districts the record-of-rights of permanently settled estates has been prepared more than once while in temporarily settled estates the record-of-rights is revised periodically. The result is that only a nominal percentage of the rents in permanently settled estates undergoes revision but in temporarily settled estates the rents are revised after every 15 years. This has resulted in great disparity in the rates of rent in permanently settled and temporarily settled estates lying side by side.

(*k*) The Act does not contain any provision for cutting down high and unfair produce rent.

(*l*) Clauses (*a*) and (*c*) of section 32 give a long rope to zealous Revenue Officers to take any period according to convenience leading to unfair results in some cases.

The principle of comparing the average price of the decennial period just preceding the institution of the suit or proceeding with that of the decennial period just preceding the year in which the existing rent was settled, or if such date is not known, then the average price of the decennial period just preceding the decennial period taken first, should be strictly adhered to.

If however, the principle of fixing the rent at the equivalent of a definite share of the produce be adopted section 30 (*b*) itself will be replaced thereby.

(*m*) I consider the Act to be also defective inasmuch as it gives powers to the Civil Courts to assess and enhance rent. The decisions of the Civil Courts are based not on an enquiry into the local conditions but on formal evidence which is more often than not misleading.

Q. 60. Enhancement as a result of fluvial action is quite fair. It is in a sense an enhancement for increase in the produce. If the equivalent of a definite share of the produce is taken as a rent the additional amounts chargeable on the ground of fluvial action is included in the resulting enhancement. There is nothing unfair in the State or the landlord getting a share of the unearned profit. But in practice section 30(*d*) affords a very unsure guide to Revenue Officers as it does not lay down the manner and extent of the enhancement. So an over-zealous Revenue Officer may simply say that the productive powers of the lands have increased by a change in the course of the river and hence the tenant should give enhancement at 8 annas in the rupee.

For a just application of the law it is necessary to compare the produce of the land at the time the existing rent was settled with its yield at the time of the proceeding. But it is not always very easy to ascertain the date on which the existing rent was settled or the yield of the land at that time.

The best course therefore is to take the equivalent of a share of the produce of the land whether that results in enhancement or reduction. This will embrace all the provisions in the Act for enhancement or reduction or alteration of rent and thereby simplify the law to a great extent.

Q. 61. Enhancement on the ground of rise in prices is quite fair. It is intended to keep up the economic equilibrium.

Rent in this country was originally payable in kind where in villages far from towns there was no such thing as money. Subsequently it was commuted to money rent on a large scale for the convenience of the parties. As has been stated above the fairest way of calculating rent for agricultural lands is to take the equivalent of a definite share of the produce.

Now this money equivalent rises with the rise in the price of the produce. So enhancement of money rent on the rise in the price of the produce is justified. It is not true that all lands yield staple food crops. But they are the main crops, and with the rise in the

price of the staple food crops the price of other crops also generally rises. So the surest criterion is the rise in the price of the staple food crops.

The landlord does not gain anything by such enhancement but his loss is prevented. The tenant is none the loser for it but his additional unearned profit is devided between him and the landlord.

This will be clear if we look at the thing from a different angle of vision.

Originally the landlord used to get, for example, 4 maunds of paddy when the yield of the land was 24 maunds. This rent was commuted to Rs. 4 at a time when paddy sold at Rs. 1 per maund. With that money the landlord used to purchase 4 maunds of paddy for his maintenance.

Paddy now sells at, say, Rs. 2 per maund. And with the rent the landlord can purchase only 2 maunds of paddy which is not enough for his maintenance. So the rent should be doubled in order that he may purchase 4 maunds of paddy therewith for his maintenance. In paying the enhanced rent of Rs. 8 the tenant pays nothing more than the present money equivalent of 4 maunds of paddy which he used to give originally and the price of which he used to pay after commutation. His balance of 20 maunds of paddy or the price thereof remains unaffected by the enhancement.

This is how enhancement on the ground of rise in prices is intended to maintain the economic equilibrium.

In those cases where the original rent was not fixed on a consideration of the value of the produce, the enhancement on the ground of rise in prices is equally fair for the above reasons but the resulting rent contains the original unfair element in it. Hence it is proposed to subtitute the method of fixation of rent at the money equivalent of a definite share of the produce.

Q. 62. Enhancement on the ground of rise in prices should be given in the case of these tenants also. The argument of those who are opposed to this will, if carried to a logical conclusion, justify such holdings being held without rent as no balance of the produce remains for payment of the rent after the tenants' consumption. When the land was taken settlement of, the tenant contracted to pay a certain rent in cash or in kind for the use and occupation of the land; or in other words, he contracted to set apart a share of the produce for the due discharge of his rent. What he has paid so long as rent is nothing but the money equivalent of his share of the produce. And the new rent including enhancement for rise in prices

is nothing but the present money equivalent of this share of the produce. If he could pay the rent before, the argument that he cannot pay the enhanced rent now does not hold good. If he requires the whole crop now for his consumption he must look to other sources of income for the increase in his expenditure, and not live at the cost of the landlord or the State.

Q. 63. Enhancement or reduction on the ground of prevailing rates only secures a levelling up or levelling down of the rates. Neither of this can give a fair level of rent based on the present value of crops. They only perpetuate the competitive or arbitrary rents fixed at some distant point of time under entirely different conditions, social and economic.

The objections suggested in the question itself can also be reasonably urged against this procedure

Q. 64. Yes. The limit fixed for new settlement should be the money equivalent of a certain share of the produce of the land if it is already under cultivation, and of neighbouring lands having the same fertility if the land to be settled is an uncultivated one.

Q. 65. *Vide* items (*f*) and (*j*) of the answer to question 59. Had enhancement in permanently settled estates been negatived altogether that would have some justification as the proprietary revenue is fixed in perpetuity. But enhancement and reduction on the ground of rise and fall in prices would still be justified and necessary to keep up the economic balance. Under the present law, however, it is too costly for the landlords or the tenants to apply for enhancement or reduction in each individual case. The tenants being mostly illiterate do not apply for relief even in the most flagrant cases.

And when cases are filed they are tried like civil suits on formal evidence which do not give such fair and uniform results as are usually obtained by local enquiries under section 104.

The procedure for (*a*) is justified but that for (*b*) is not.

Q. 66. I know of some such cases but I am unable to give details now. The unfair enhancements were due to the tenants' case not being properly represented by formal evidence as against influential landlords. The fault is neither of the Settlement Courts nor of the Special Judges but of the law.

Assessment or enhancement of rent should not be left to the Civil Court where everything is decided on formal evidence by officers having no first hand local knowledge nor should it be made in the formal manner as in section 105. With a view to secure the greatest possible fairness and uniformity in the assessment the procedure of section 104 should be adopted in the permanently settled estates also

and everything should be done by Revenue Officers who have studied conditions.

Q. 67. It is not quite correct to say that revisional settlement is usually made with the primary object of enhancing revenue. But it can be said that revisional settlement is usually made only in those areas where enhancement of revenue is expected.

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When the term of settlement of an estate expires a resettlement of revenue must be made. This can be done either summarily or by a regular revisional operation.

In temporarily settled private estates the revenue can be enhanced to a limited extent only after a summary enquiry, leaving the tenants' rents as they are, and without revising the record-of-rights. In Government estates the revenue being the sum total of the tenants' rents cannot be enhanced without a revision of the record-of-rights. But the cost of a revisional operation for settlement of land revenue has to be borne entirely by Government. Hence the question of financial gain or loss arises. It is but reasonable, especially in view of the present financial condition of Government, that estates which will not yield any enhancement of revenue should be excluded from revisional operation and only summarily settled.

Exceptions are estates which have undergone great changes due to alluvion or diluvion.

The aim is always a revision of the record-of-rights but this is not done on grounds of expediency in those cases where there will be definite financial loss.

Q. 68. No.

Q. 69. It was not a mistake on the part of Government. I do not think the policy has led to any legitimate grievance on the part of the tenants.

(*a*) When a rent is fixed for a term of years it cannot be expected that it will bear the same proportion to the value of the produce and leave the tenant a uniform profit during all years of the term, as prices fluctuate and the quantity of produce varies due to natural causes. It is enough if the rent compares favourably with the average value of the produce. And in considering the rise and fall in prices one must take the average of the rise and fall ignoring temporary fluctuations. Section 32 provides two long periods for the calculation of average and an enhancement based on such average is fair for all practical purposes. The prices no doubt fell for 4 or 5 years but they are again rising. So it would have been a mistake to be led away by the temporary fall.

The law never contemplated that in future the price should remain at the highest level found in the past. (The prices of the last 2 or 3 years may be lower than those of previous years and yet the average of the last 10 years may be higher than that of the previous decennial period.)

The principle is that if there is a rise in prices comparing the last two decennial periods, the rents are to be enhanced and the enhancement paid for the next 15 years.

It comes to this that the tenant enjoyed an unearned profit during the last 10 years at the cost of the landlord who has suffered during the period due to a reduction in the purchasing capacity of the money he received as rent. And it is this amount reduced by one-third under section 32(*b*) which he is asked to pay the landlord during the next 15 years to keep up the balance, or in other words he is asked to pay the landlord in the next 15 years' time exactly what he enjoyed at the cost of the landlord during the last 10 years.

If during these 15 years the average price goes down so as to justify reduction of this rent under section 38 the tenant will get the benefit of it during the 15 years next following.

The thing is that when questioning the fairness of a rent people are apt to bring in so many extraneous circumstances such as the general indebtedness of the tenants and the other needs of their families, that their vision is blurred and they end by making an unfair criticism of the fairness of assessment.

Q. 70. Various factors have contributed to this. When a tract is initially settled the following considerations determine the rent:—

(*a*) The fertility of the soil.

(*b*) The cost of reclamation.

(*c*) Liability to diluvion or damage by salt-water inundation or wild animals.

(*d*) Distances from towns, markets and inhabited villages.

(*e*) Demand for the lands.

(*f*) Rate of salami charged.

(*g*) Prevailing rates in neighbouring estates, temporarily or permanently settled.

(*h*) Price-level of agricultural produce at the time of settlement.

(*i*) Temperament of the person settling the rents, some being by nature or training more exacting than others.

Thus the condition and situation of the lands being different, the officer being different, the principles of settlement being different

and the circumstances under which settlements were made being different the initial rents were different for lands of the same fertility in different districts.

When the rents came to the stage of enhancement, different principles were adopted in different districts by different officers and even where the principle was the same the rates of enhancement varied according to the temperament of the officers and other predisposing causes. For example, a lower rate of enhancement is allowed in estates liable to depredation by wild animals. Again enhancements made under section 30(*a*) in one district gives a different result than those made under section 30(*b*) in another district, and the rates of enhancement under section 30(b) in different districts differ due to difference in the average price. Similarly enhancements made under section 30(*b*) at different times give different results.

Moreover, the older the estate the larger the number of enhancements and larger in consequence is the sum total of the enhancements.

Q. 75. The following table complied from Land Revenue Administration Reports will show the position roughly:

Year.	Amount spent on purely agricultural improvement.	Amount spent on miscellaneous improvements such as repairs and constructions of Bungalows, roads and communications, clearance of jungles and agricultural experiments.	Percentage of the total improvement grant on the current demand.
	Rs.	Rs.	
1927-28 ..	77,383	65,680	3·9
1928-29 ..	65,476	1,03,562	3·9
1929-30 ..	1,35,508	52,691	3·7
1930-31 ..	92,143	59,848	3·05
1931-32 ..	80,788	30,795	2·37
1932-33 ..	76,932	22,519	1·77
1933-34 ..	69,551	21,791	1·45
1934-35 ..	55,050	24,062	1·43
1935-36 ..	99,024	42,701	2·5
1936-37 ..	65,545	40,916	2·0

So it is clear that the grant has been reduced considerably in recent years

Under rules 112 to 114 of the Government Estates Manual, 1919, 9½ per cent. on the estimated collection of the year plus a recurring grant of Rs. 50,000 was to be spent on management and improvement, it being the Board of Revenue's endeavour to restrict the

cost of management to 6 per cent. and leave ½ per cent. for miscellaneous improvements and 3 per cent. plus the recurring grant of Rs. 50,000 for agricultural and sanitary improvements.

Under rule 172 of the Crown Estates Manual of 1932 the 9½ per cent. was to be calculated not on the estimated collection but on the current raiyati demand plus the average of the past 3 years' miscellaneous collections. This has been changed by correction slip No. 32 to 8 per cent. of the current demand of rent and cess plus the average of the previous 3 years' miscellaneous collections.

The inclusion of cess in the demand for calculation of percentage does not make up for the loss of 1½ per cent.

Again the whole 8 per cent. is placed by Government in the hands of the Board without specifying the amounts to be spent on management and improvement. It is for the Board to distribute the amount between these two heads. Naturally therefore the improvement falls as the cost of management, which is more imperative, rises. In recent years the collecting staff had to be strengthened due to general unwillingness among the tenants to pay rent. Hence the cost of management has increased and the improvement grant fallen proportionately.

Q. 76. Salami is, as a rule, realised by Government at the time of settlement of new lands in khas mahals. Originally there was no system of levying salami in Government estates. But the system was introduced in 1919 (*vide* rule 156A, Chapter VIII A, inserted by correction slip No. 2 of August, 1919, in the Government Estates Manual of 1919).

There is no rule or practice that salami realised for any particular land should be partly or wholly spent for the improvement of that land. Nor is there any rule or practice that salami realised in any particular district should be partly or wholly spent for the improvement of land in that district. But salami being a miscellaneous collection, 8 per cent. of the total salami realised in the Presidency is placed at the disposal of the Board of Revenue as a part of the management and improvement grant; and as already stated, the Board makes allotment for management and improvement out of the total grant according to requirements in different districts.

Q. 77. The land system as well as the general policy of Government are responsible. And the land system itself being a creation of Government more or less, Government is responsible indirectly at least for the effect of that also.

There are various other factors such as climatic conditions which make the people more home-keeping and less adventurous, increase

of population, and want of room for agricultural expansion. The economic depression was only an exciting cause. But the real cause lies more deep rooted.

In the good old days there was no dearth of waste lands. With the increase of population the tenants augmented their agricultural resources by extension of cultivation. But there is hardly any unreclaimed land at present, and hence with the further increase of population the quantity of land *per capita* is decreasing. Again the Great War and spread of education have changed the outlook on life and increased the expenditure of the cultivators on clothings, education of children, litigation, etc.

So the limited agricultural income is no longer enough for them.

Due to the bonds of joint family in a section of them at least, and home-keeping habit of all, they are loth to go elsewhere and take to trade, business or other enterprises.

This home-keeping habit is mainly due to the Permanent Settlement which reserved to the tenants a more or less fixed income from their lands. The tenants used to supplemnt their agricultural income by the income of home industry such as spinning, weaving, preparation of oil. etc. But the home industries vanished when the markets were flooded with cheap and fine foreign goods.

The crisis was averted only for the time being by the abnormal post-war prices of agricultural produce, and it came when the prices fell all on a sudden.

(*a*) The real remedy lies not in a general reduction of rents, as rents in most cases are only an insignificant part of the tenants' expenditure, but in augmenting the income of the tenants through sources other than agriculture. The home industries are to be revived.

(*b*) Large-scale industries based on indigenous raw materials and subsidized by the State are to be started in different parts of the province, so that the cultivators may find employment in the off-seasons (they idle away about 6 months in the year) and get a good market for their agricultural produce.

(*c*) More money should be spent in works of improvement to ensure a steady income from land by preventing loss due to flood, drought, etc.

(*d*) It was a mistaken policy of Government not to encourage home industry until very recently, Government have not been able to launch upon any large scale industrial enterprises or any extensive development work due to paucity of funds.

In a province where the taxable income from commerce and industries and similar sources is very meagre, where the duties internal and external do not bring much into the coffers of Government due to the low purchasing power of the people, and the land revenue is only 2·2 per cent. on the value of the produce and only 27·6 per cent. of the raiyati rental, it is no wonder that Government should not find money enough to carry out any comprehensive scheme of development. To tax the agricultural income of the raiyats for the amelioration of their condition is to give them stone when they want bread. To levy a tax on the profit of the zamindars and the tenureholders allowing them to stay on will be equally unfair because there is so much subinfeudation that the profit of each individual tenureholder is not very great and collection has become so difficult nowadays that the tenureholders and the zamindars are hardly in a position even to discharge their rent and revenue after maintaining themselves and their dependants. So the only solution is to end this system of land tenure.

If Government purchases the rights of the proprietors and the tenureholders at 10 times their profit after raising a loan at 3½ per cent. interest the loan will be repaid with interest in about 13 years' time out of the additional revenue secured thereby and then there will be an immense surplus in the hands of Government for development work.

If a 20 years' loan is taken, development work can go on *pari passu* with the repayment of loan after defraying the initial cost of organisation. If it be not possible to raise such a big loan all at once (but I do not see why it should not be possible) the acquisition may be made gradually starting with those districts where there are big khas mahals.

All the proprietors and tenureholders may not like it. But some of them will. And then thy will, of necessity, turn their attention to business and industry. Government will also have funds to subsidize indigenous industries and the raw materials will fetch a higher price due to increased demand. An alternative suggestion is that the estates and tenures will be made khas and the proprietors and tenureholders given a malikana annually. But a huge staff will have to be maintaind for this and such an arrangement is unsound from the economic point of view.

Q. 78. (*a*) Rs. 90 and (*b*) Rs. 30. Total Rs. 120. 60 per cent. of the cultivating raiyats can maintain themselves and their family from the income.

Q. 79. The existing system and organization are not satisfactory. In spite of sections 65 and 78 of the Registration Act of 1876

successors to proprietary rights omit in many cases to apply for registration under section 42 of the Act and there is no machinery at present for duly reporting the successions to the Collector. The result is that the D. Registers do not, in many sases, represent the actual state of things. The position is worse in those districts where the number of small estates is larger.

As regards the record-of-rights it has, except in temporarily settled areas, become out of the date in most districts as there has been no revision. The usefulness of a record-of-rights diminishes with its age and in riparian districts the practical utility of an old record-of-rights is almost nil.

Hitherto the record-of-rights has been periodically revised only in the temporarily settled areas and maintained only in the khas mahal areas. In permanently settled areas there has practically been no maintenance except in the few cases in which the privilege under section 158A (now repealed) was granted. And in those cases also it was maintained only for the time being. Even in khas mahal areas there is no thoroughgoing maintenance as the staff is not adequate for that and the officers responsible for the maintenace are not, except in some isolated cases, vested with the powers of Revenue Officers.

It is feasible to maintain continuous and accurate land records in small units of villages. But I do not think it feasible to include in such records a full statement of the crop on each plot from year to year. This will necessitate entertainment of a big permanent staff and the object will be defeated by lethargy and corruption among the staff, as a detailed check of their work by responsible officers is out of the question being too costly an affair.

In my opinion, there should be a permanent staff for maintenance work who will do the maintenance work of khas mahal as well as non-khas mahal areas.

A kanungo with revenue powers with a staff of one amin, one chainman, and a peon should be placed in charge of the maintenance work within the jurisdiction of each Registration Office or any similar unit if necessary. He should work in co-operation with the Sub-Registrars and the khas mahal staff if there be any.

There should be a Gazetted Officer with revenue powers in charge of the maintenance work of each subdivision who will supervise all work of the kanungoes.

It will be the kanungoes' duty to enquire into and ascertain all changes and then call upon the parties concerned to apply for alteration in the record-of-rights within a certain period failing which

they will be fined as in section 65 of the Registration Act. The cost of the department will be met from the court fees and other fees levied. It will be enough if the maintenance officer takes up a particular village only once in a year but all changes taking place during a year should be brought on the record in the course of the next year. If the private estates and tenures are made khas the organisation for maintenance will form a part of the khas mahal organisation.

Q. 80. (*i*) This is desirable and will place a larger quantity of food grains at the disposal of the cultivator but it cannot be said that it will increase income, as overproduction is likely to bring about a fall in prices.

So, along with improved methods of cultivation industries should be opened for increasing the demand for raw materials. It is very doubtful if India will find a better market in future in other countries for her raw materials.

(*ii*) and (*iii*) This is very important. Supplementary occupation can be given by establishing cottage industries. But this itself is not enough. Other large-scale industries should be started with a view to increase the demand for the agricultural produce and give occupation to the cultivators in the slack season.

(*iv*) Establishment of collective or co-operative farms will reduce the cost of cultivation to a certain extent and increase the income to that extent, no doubt. But that is not much.

I do not think co-operative marketing organisations will be successful.

(*v*) I do not think that cattle insurance will be successful.

This will result in a deterioration in the already unsatisfactory condition of the cattle, as very little care of them will be taken, and in the death of many of them brought about fraudulently. Whatever scheme is decided upon, it will have to be adopted with an eye to the future.

In the past whenever there was overpopulation there was emigration and that kept up the economic balance. But the other provinces of India hold no room now for the Bengalis, nor do the other countries in the world hold any room for Indians. But population is increasing and the room for agricultural expansion within the province is almost nil.

So the attention of a section of the people who live on agricultural income must be turned to other sources of income. And this can be effectively done only by establishing industries. To allow the industries to thrive, heavy duties should be imposed for decade or two at least on rival foreign goods.

Q. 89. The machinery available to the landlords for realisation of their dues amicably is their collecting staff. That is not too costly or cumbrous. Some harassment or unnecessary expense is, however, caused to the tenants due to corruption among the staff.

But nowadays voluntary payment of rent year by year has almost ceased and hence Government as landlord cannot realise the dues promptly without certificate, and where Regulation VIII of 1819 does not apply the private lanlords have to go to the Civil Court. But they cannot expect any prompt realisation through the Civil Court as the cases drag on for months.

The only provisions of law which were available to the private landlords for prompt realisation of their dues, except in cases where Regulation VIII of 1819 could be applied, were those contained in Chapter XIII A of the Bengal Tenancy Act. But this chapter has been repealed by the amending Act of 1938. So rent suit is the only alternative. But this is too costly and cumbrous to the landlord and too expensive and sometimes harrassing to the tenant. The proprietors have to pay Government revenue kist by kist, but they have no legal machinery to realise the dues from the tenants promptly. Very few of them have reserve funds enough to pay the revenue as well as the cost of rent suits.

The landlords did not feel much difficulty till some years back as the tenants considered it their duty to pay their rents regularly and did pay regularly. But many of the landlords have been ruined since voluntary payment of rent by tenants ceased.

The position is entirely illogical. If the proprietors are bound to pay their revenue kist by kist they mast have an effective machinery for realisation of the dues from the tenants.

I would suggest reinstatement of Chapter XIII-A of the Bengal Tenancy Act with this modification that the maintenance of record-of-rights should be made by Government as a part of the general scheme of maintenance suggested above.

Q. 90. It is not harrassing or objectionable provided issue of distress warrants is restricted.

There must be a summary procedure for realisation of rent whether in Government or in private estates, as neither Government nor private landlords can do without a fixed income. The choice is between a machinery like Act XI of 1859 and that like the Public Demands Recovery Act. The latter is preferable to the drastic provisions of the former to which the illiterate cultivators living in villages far away from the town are not equal. But the procedure should be reversed by putting sale of the holding before issue of

distress warrant. I have found that distress warrants fail in many cases due to corruption of the process-servers who sometimes cause unnecessary harrassment or expenditure to the tenants. But the dues are paid as soon as the holdings are put up to sale. Distress warrant should be issued not before but after sale, and only in those cases where the dues could not be realised by sale and for the unrealised amount only.

This will very much reduce the cost of the certificates and the expenditure of the tenants, and also ensure more speedy disposal of the cases. At the same time all other processes leading to and following the sale which are quite liberal in comparison with the provisions of the Sale Law will remain.

Q. 91. I think it advisable to revise and codify the Revenue Laws in a more up-to-date and simple form. I would also suggest that the important rules which are of a general nature should be included in the laws.

There are as many as 5 Acts and 1 Regulation on Alluvion and Diluvion, more than a dozen (Regulations and Acts) on Land Revenue Assessment, and half a dozen (Regulations and Acts) on Land Revenue Sales, some of the provisions of which are not applicable to present conditions.

A diara officer has to look to Regulation IX of 1847 for the inception of the work, to the Survey Act V of 1875 for his survey, to the Bengal Tenancy Act for preparation of record-of-rights, to Regulation 2 of 1819, Regulation II of 1825 and Act XXXI of 1858 for his authority for assessment of revenue, and to Regulation VII of 1822 for the settlement of the revenue.

In this bewildering mess even the most careful student of law is apt to miss some of the important provisions and forget many. No wonder that they should be unintelligible to the ordinary people.

I am therefore in favour of replacing the old Regulations and earlier Acts by a simple Act embodying their main provisions and also the important rules framed thereunder.

APPENDIX I.

Q. 18. The same organization as is in existence in the Khas Mahal Department will be required with incrase of staff and officers.

In each district there should be a Deputy Collector with settlement experience in charge of the estates of that district and a Sub-Deputy Collector with settlement experience as his assistant.

In the Headquarters Office there should be one Head clerk and 10 other clerks on an average and 2 office peons besides the orderlies

of the two officers. For each 25,000 rupees of current demand there should be a tahsildar with his office centrally situated and 3 peons. Above each group of 8 tahsildars there should be a Sub-Deputy Collector or Settlement Kanungo as Circle Officer. Each Circle Officer should have a staff of 2 clerks and 2 peons and 2 chainmen on an average besides his orderly peon.

The existing organisation of khas mahals being similar to the proposed scheme it is possible to have an idea of the additional cost from the average cost of administration of khas mahals.

The average cost of administration of the khas mahals during the 5 years from 1932-33 to 1936-37 is 8 per cent. on the current demand.

	Rs.
The current demand under the proposed scheme would be	12,64,00,000
8·5 per cent. of this is	1,07,44,000
Deduct average annual cost of administration of the existing khas mahals which is ..	7,25,995
Also deduct expenditure on account of the Tauzi, arrear collection and "D" Register staff which will be unnecessary	90,000 (approximately).
Hence estimated additional annual expenditure is ..	99,28,005
As against an additional income of	9,52,00,000

Besides the recurring annual expenditure of Rs. 99,28,005 there will be some capital expenditure for construction of cutcheries and circle officers.

The current demand of khas mahal is Rs. 71,00,000. Hence the additional demand is Re. 11,93,00,000. Taking one tahsil office for Rs. 25,000 and one circle office above 8 tahsil offices, 4772 tahsil cutcheries and 596 circle offices will be required.

	Rs.
4,772 tahsil katcheries with quarters at Rs. 2,000 per katchery	95,44,000
596 circle offices with quarters at Rs. 4,000 per office	23,84,000
Total	1,19,28,000

Oral evidence of Babu J. C. Chakravarty, Deputy Collector, Mymensingh on 8th February 1939.

In reply to the Chairman, Mr. Chakravarty said that he was Khas Mahal Officer at Noakhali for 2½ years, and Assistant Settlement Officer at Chittagong for 4 years, at Burdwan for 1 year and at Noakhali for 5 years. He is at present Khas Mahal Officer and Deputy Collector at Mymensingh.

He said that provided the rent is fair, there must be some machinery for prompt and punctual collection and that it is undesirable to allow tenants to fall into arrears. The Government as a landlord does more in the way of improvement in khas mahal areas than the zamindars. He was in favour of Government taking over the responsibility of ownership of the whole province. He does not recommend that occupancy rights should be given to bargadars. They should be left entirely to contract. A good bargadar is scarcely ever turned out from his land, but if a bargadar is bad he should not be allowed to continue because that will result in economic loss both to the bargadar and to the landlord, and to the community as a whole. A bargadar who has got his own lands does not generally take as much care of his barga land as he takes of his own land. In his view occupancy rights should attach to the land and not to the owner, and that two persons should not have occupancy rights in one plot of land. If a raiyat sub-lets his land to an under-tenant, he should automatically lose his occupancy right in respect of those lands after 12 years from the commencement of the lease (*vide* penultimate paragraph of the reply to question 25).

One-sixth of the gross produce, he said, was a fair proportion to be fixed as rent. He was opposed to fixing rent in perpetuity. It should vary according to the level of prices.

He was not in favour of imposing income-tax on agricultural incomes because that would be another form of additional rent, and it would be very difficult to assess the income-tax accurately. If the State needs increased income he would prefer to level up the rents. He agreed that there should be a speedier method of realising rent in permanently settled areas.

He was in favour of buying out the interests of zamindars and intermediate tenureholders, and mentioned that he had consulted some landlords and landlords' agents to find out their views and they had told him that compensation at 10 times the net profit would not be unfair. If the land could be acquired on that basis, it would be a profitable transaction for Government.

In reply to the Maharajadhiraja Bahadur of Burdwan, he said that he was prepared to exclude Court of Wards Managers from the statement that the zamindari staff is corrupt. There might be other exceptions, but they were not many. This opinion was based on reports received from tenants whom he met during his settlement experience. He did not think that the zamindars have sufficient taxable income other than agricultural income. He agreed that markets might be taxed. He was in favour of giving the zamindars certificate powers, but he said that distress warrants should not be issued before holdings are put up to sale. As soon as a holding is

advertised for sale, the amount due is generally paid. Those who do not pay then, apply to pay their dues within one month after the sale under section 22. His object in proposing to take away occupancy rights from raiyats who sublet is to stop the spread of subinfeudation.

Government pays 1½ per cent. of the khas mahal income to the District Boards in its capacity as landlord.

In reply to Mr. B. K. Roy Chowdhury, he said that the recent amendment Act of 1938 has done something to stop realisation of abwabs. Regulation I of 1793 was intended to stop it but it had not been successful. He had no information of any cases under section 75, Bengal Tenancy Act. Such cases must be very few. Ignorance and fear of the landlords is the reason that tenants do not seek protection under section 75. He mentioned that in Mymensingh it transpired in the course of a criminal case against an ex-tahsildar that he had not received any pay from the estate for years.

In reply to Sir F. A. Sachse, he said that abwabs are included among corrupt practices. As a general rule, the khas mahal management treats the tenants better than the average landlord. He would not agree with the statement in Mr. M. M. Stuart's report that the object of Government has been to obtain the maximum possible revenue. He said that the khas mahal staff while out on tour to collect rents inquire into matters such as agricultural improvements, etc., but the collecting staff under private landlords do not generally consider it part of their duty to do so. Government spend money from khas mahal revenue on hospitals, dispensaries, etc. He agreed that some landlords had also established hospitals, schools, etc.

In reply to Dr. R. K. Mukherji, he said that during the last 1½ years he had tried as many as 4 cases against naibs and estate tahsildars under section 408, I. P. C. One naib's defence was that he was compelled to take money from the tenants in order to pay inspecting officers. His statement that landlords' agents are generally corrupt is based on 12 years' experience in the Settlement and other Revenue Departments. He would not agree with the statement on page 8 of Mr. Stuart's Khas Mahal Report that the zamindari management is more humane than that of the khas mahal. Khas mahal tenants are given regular remission when calamities occur. Landlords as a rule do not grant such remissions. The rules and provisions of the Tauzi Manual with regard to remission are satisfactory.

If a raiyat or an under-raiyat sublets, he would take away his occupancy right in the area sublet as that was not the purpose of the tenancy. His object was to stop subinfeudation and purchase by non-agriculturists. He was not in favour of giving occupancy rights

to shop-keepers because if this was done, there would be no incentive to improvement. He considered that a fraction of the net produce would theoretically be the soundest system of rent assessment but there were too many practical difficulties in the way. There would be very great difficulties in collecting produce rents.

If the State bought out the landlords and fixed a fair rent at one-sixth of the gross produce, the result would be an enhancement in most cases. Probably it would be necessary and desirable to order progressive enhancement.

In reply to Khan Bahadur M. Hosain he said that pargana rates were rates which were assessed at intervals, i.e., when settlements were concluded. They were not fixed for ever but were changeable. In support, he referred to Field's Digest, pages 197-9, 201-2 and 207 and Tagore Law Lectures by Philip. He stated definitely on the strength of these authorities that pargana rates were actually enhanced. Section 60 of Regulation VIII of 1793 refers to "remaining land", i.e., the lands other than those held by mokararidars which the proprietors were entitled to let out as they thought proper. No settlement of pargana rates has been made after the Permanent Settlement, but section 60 specifically lays down that when a general revision of pargana rates is made, enhanced rates will be payable even by khudkasht raiyats. From Todar Mal's time, settlements were made on the basis of a share of the produce. These were commuted into cash and consequently the assessment was automatically made on the level of prices and enhancements were made if there was rise in prices.

Shop-keepers should not be given occupancy rights. There is no competition for shops in villages as in large towns. He was not aware that the definition of "raiyat" in 1793 included more than actual cultivators.

Conversion of agricultural lands into holdings for non-agricultural purposes should not be permitted.

Generally speaking, bargadars cannot be said to finance agriculture. In some cases they do so but in most cases the landlord does it. The bargadar has some right in the land but no obligation to cultivate. There is no legal means of penalising a bargadar who allows land to remain fallow. He held that there is no practical difference between the right of occupancy and that of a permanent enhanceable tenure. His proposal to take away occupancy rights from raiyats who sublet was not intended to apply to existing raiyats who have already sublet, but was intended for the future. He thought it better to give no rights to bargadars but to leave them to contract.

In reply to Khan Bahadur A. Momin, he agreed that a raiyat who has sublet part of his holding and is cultivating another part would be a *bona fide* cultivator. He explained that his object was to confine the land to actual cultivators. If *A* was a non-cultivator and *B* a cultivator, *B* ought to be given preference by the landlord when making a settlement. He said that his estimate of one-sixth of the gross produce as a fair proportion of rent would cover both bad and good years; but if the rules for remission of rent in bad years are retained, then one-sixth of the produce should be a proportion of the full normal crop. It was his considered opinion that it is in the best interests of the province to buy out the landlords.

In reply to Khan Bahadur Hashem Ali, he said that he was not in favour of giving occupancy rights to small shop-keepers because it is against the interests of commerce. Markets flourish through competition, and if small shop-keepers are all given occupancy rights nobody would come in to develop the markets. There would be no space for introducing bigger shop-keepers, as the accommodation in most markets is limited. Improvement of a market depends to a large extent on the landlords' power of re-arrangement and control. If shop-keepers are given occupancy rights the landlord will have no power to re-arrange the shops or control business, petty shop-keepers will continue and stand in the way of bigger shop-keepers coming in. Those who have given up trade will sublet to others who may carry on an undesirable trade or business.

Certificate procedure means speedy realisation of rent and for that reason the tenants do not like it. His reason for proposing that distress warrants should be issued after the sale, is that tenants sometimes combine to stop the purchase of land when it is put up in certificate sale and there is no means of realising arrears except by distress warrant. He agreed that special consideration might be given in cases where the land is unproductive. Tenants in khas mahals do not, as a general rule, pay up their rents voluntarily in good years but certificates have to be issued. In 1936-37 as many as 4,000 certificates had to be issued in one circle in Hatia (Noakhali district). He had personally made collections, and had been from house to house, but although the tenants were in a position to pay they waited for the issue of legal processes. In 70 per cent. of the cases, they paid up as soon as notices were issued under section 7. Before the economic depression, fewer certificates were issued as they were not necessary.

In reply to Sir F. A. Sachse, he said that a *bona fide* cultivator is a man who ploughs either himself, or by hired labour or in barga system. He thought it would not be difficult to distinguish between such cultivators and those who sublet on cash rent. He agreed that

it will be difficult to enforce his proposal that no raiyat should have more than 20 acres but that there should be legislation to that end and it would have a deterrent effect. He thought that the record-of-rights would have to be revised and said that he has suggested the necessary organization in his reply. He did not propose any minimum area which a tenant should hold. He agreed that Mr. Thompson had calculated a higher outturn of jute and paddy than any other Settlement Officer. These figures are obtained from settlement kanungoes who carry out crop-cutting experiments in the case of paddy and make enquiries from the villagers in the case of jute. He himself had made such experiments and considered them reliable. The settlement staff do not pick out the best plots, but endeavour to carry out experiments on average plots. It was quite easy to pick out an average crop by comparison with crops of other fields in the locality.

He said that there seems to be no difference between the outturn of paddy in Burdwan and that in eastern Bengal. Assuming that an average family requires 10 maunds of rice a year, the total rice produced in Tippera and Noakhali as reported in the statistics would not be sufficient to feed the population in those districts: yet there was no import of paddy into those districts: on the other hand there was export. That fact suggested that the figures for outturn are underestimated. It is not correct that the majority of the villagers take only one meal a day throughout the year. As Khas Mahal Officer, he was continually on tour and came into direct contact with villagers. Landlords' agents, on the other hand, generally go to tahsil offices only and are not in touch with their tenants to the same extent. He considered that rent amounting to half the produce is the maximum that can be paid. He agreed that if a bargadar can live on half the produce of 5 acres, a raiyat with a similar area ought to be better off and if he gets into debt, he was only himself to blame.

In reply to the Secertary, he agreed that if his proposal was put into force that occupancy rights should be taken away from the area sublet by a raiyat—a raiyat would have a dual status in one holding, viz., of occupancy and non-occupancy raiyat. But it would not be very difficult to prepare a record-of-rights and an entry in the column of status to the effect that the tenant has occupancy right in his khas lands or in such plots could be made. He also agreed that if raiyats were prevented by legislation from sub-letting on cash rent, it might lead to a considerable increase in the barga system. But this tendency will be counteracted by giving the right of pre-emption and preferential right of settlement to the bargadar coupled with a right to apply for assessment of a fixed produce rent as suggested in his reply.

Memorandum by Babu Satya Charan Haldar, Deputy Collector and Khas Mahal Officer, Bakarganj.

If it so happens that all the permanently settled estates, temporarily settled estates, tenures, under-tenures, and rent-receiving raiyati interests are acquired by Government, the additional machinery that will be required to carry on the administration will consist of additional collecting staff, a supervising staff, and also superior posts together with the necessary clerical establishments. The estimated cost should not exceed 20 per cent. of annual demand, even if the cost of the superior posts is estimated on a liberal scale. The staff required would be considerable and is expected to solve the present unemployment question of the educated middle and upper classes to a great extent.

What the present situation most urgently demands is reduction of high rents which came into existence during the boom period after the Great War mostly due to competition and contract and also due to the revisional settlement operations which ignored classification of cultivated lands and enhanced rates of rent on the average of prices ruling during the boom period.

It is not that all raiyati holdings need a reduction of rent and it is also desirable that holdings at unduly low rates of rent should be assessed to fair rents an the basis of prices during the last 8 years, i.e., since the economic depression set in. If the work of revision of rent is conducted on proper lines it is possible that the assets that would otherwise come to Government would be considerably reduced.

A new record-of-rights will be indispensable to avoid hopeless confusion. This would be an expensive affair too, though it is possible that most of the costs incurred on account of this revision would be gladly borne by the raiyats, especially whose rents are reduced.

If acquisition of all the interests from the zamindari to rent receiving raiyatis has to be made on awarding fair compensation to the holders of all those interests, the amount required would be a huge one. Even if bonds are issued this will involve the country in a heavy recurring liability for years to come if not permanently.

The reduction of the assets due to revision of raiyati rents together with the recurring charge to the State on the score of interest (even at 3 per cent.) on the bonds plus the cost of new establishment due to the changed conditions might leave to the Government assets which may only slightly exceed the existing figures of receipts on accounts of land revenue.

The capital cost that would be required for the construction of new office buildings and quarters for the immensely increased staff of all classes would not be inconsiderable.

If compensation on a fair scale is not awarded to the holders of the several interests it would create an unrest among the brainy and influential classes and that will give rise to a situation which has to be guarded against and this might also require additional costs.

The alternative is to leave the matters as they are subject only to such revision of rent including enhancement in particular cases as may give substantial relief to the cultivating raiyats and remove the grievances due to inequality of rent for similar lands. This would be steering a wise middle course as opposed to steps which might safely be called revolutionary, the results of which it is difficult to forsee at present.

There are of course many zamindars and tenure-holders who would be quite willing to sell off their interests if they get a fair price. But this cannot be said of all. At any rate they would like to keep their khas mahal lands for themselves and sell off the tenanted lands, because with the abolition of landlords fees and the gradual extension of the Bengal Agricultural Debtors Act, they are finding it increasingly difficult to pay the land revenue and cess at the appointed time. If the Revenue Sale Law is applied vigorously to private estates and khas mahal tenures in all probability they or the majority of them will cease to exist in the course of 2 to 5 years. The question of compensation would not then arise. This will save the country a lot of unnecessary burden. It cannot be fairly said that the zamindari system is an unmixed evil. If the zamindars can hold on in spite of reasonable reduction of rents of raiyats there is no reason why an attempt should be made to supplant them altogether.

Reply by Babu S. C. Haldar, B. C. S., Deputy Collector and Khas Mahal Officer, Bakarganj.

Q. 19. The raiyat would prefer to come under Government and pay rent to it direct, if the rents of those who are holding lands at low rates are not enhanced and if the rents of those holding at high rates are reduced. In any case the raiyats under rather weak private landlords would not like that stricter measures for collection are adopted when they come under the Government. The non-defaulting raiyats under the private landlords would rather prefer coming under Government if their existing rents are not enhanced. Intentional and habitual defaulters who successfully evade payment of rent would not welcome the idea of coming under Government from fear of reduced scope for such intentional evasion. The khas mahal raiyats enjoy the following advantages over tenants under small proprietors or tenure-holders (whose accounts are indifferently kept):—

(1) Their accounts are above question and grievances if any on these accounts have an early remedy.

(2) They get some improvements, agricultural and sanitary, at the expense of Government.

(3) The primary schools receive a grant from Government as landlord.

(4) The certificate procedure having been applicable to them, they were saved the crushing cost of litigation in Civil Court. If rent suits have to be substituted for the certificate procedure the raiyats will have nothing to choose between Government and private landlords. The raiyats who mean to pay the arrears seriously resent the heavy cost of rent suits beginning with the *ad valorem* fees and pleaders' fees which are not at all charged in Government certificates.

Q. 25. I am in favour of confining the occupancy rights only to the tenant who actually cultivates the soil or gets it cultivated by hired labour or bargadars. Occupancy right should not be enjoyed by more than one grade of tenant described above. The mere rent-receiver should not enjoy occupancy right.

Q. 26. Occupancy right should be confined only to the part cultivated by himself or hired labour or bargadar and should not extend to the part sublet.

The raiyats who have sub-let their entire holdings should cease to be called raiyats.

Q. 27. The intention of Permanent Settlement seems to me to have been to give protection to all classes of tenants including non-agriculturists so far as their limited interests in land were concerned for their

non-agricultural occupation. I am in favour of giving occupancy rights to non-agricultural tenants for their homestead lands and such lands as would be required for their respective occupations such as weaving, pottery and such other occupations and even large industrial concern.

Q. 28. The reason why statutory rights intended to protect the interest of cultivators should persist in land which has been converted to use for non-agricultural purposes is that such lands are in some way or other meant for the benefit of agriculturists. Unless the converted holdings act prejudicially to the interests of the cultivators, no additional tax for such holding should be levied by the State.

Q. 29 and 30. The growth of population and transfer of land due to indebtedness seem to be the main reasons for increase in the number of bargadars, bhagchasis and others.

Q. 31. The cultivating bargadar normally holds 15 to 25 bighas of land, i.e., as much as he himself can cultivate with the help of a labourer. The cultivator with a pair of bullocks cannot cultivate more than 15 bighas, the one with buffaloes can cultivate up to 25 bighas. The majority of bargadars also hold land in raiyati or under-raiyati right, but such lands are small in area due to the laws of inheritance of the country. Large capitalist bargadars possess up to 100 bighas or more.

Q. 32. The right of occupancy and other rights should not extend to bargadars. They do not seem to need much protection except (in rare cases) from the hands of the influential landowners. As a matter of fact the owner of the land is more dependant on the bargadar than the latter on the former. The barga system is not economically unsound. It supports 2 families on the same land. If the bargadar ceases to exist the land of the cultivator who dies leaving widow and minor children will cease to be cultivated at all and the family will have no option but to sell off the land for want of a suitable member in the family to cultivate the land and cannot wait till the minors are fit to cultivate the land themselves. The khas lands of zamindars and others cannot be allowed to remain uncultivated and if mere barga system entitles the bargadar to occupancy right some sort of understanding between the bargadar and owner of the land is bound to take place by which the bargadar will agree in writing waiving his rights of occupancy.

Q. 35 and 36. Five annas to 8 annas is a fair proportion of produce payable by bargadars according to the quantity of outturn and quality of land. A minimum limit may be fixed by the law but not the maximum which should be arranged by the parties themselves. The wages of agricultural labourers vary according to the market price of the crops concerned. The labourers employed for cultivation

as helping hands generally get Rs. 4 or Rs. 5 a month for 3 months in addition to food and the wages of labourers employed for reaping vary from $\frac{1}{6}$ to $\frac{1}{8}$ share according to the outturn of crops in the present state of things for paddy lands. When prices were better the wages of cultivating labourers were higher specially for jute lands. The position of agricultural labourers specially of the cultivating ones does not compare favourably with the bargadars. They can bear no comparison to the under-raiyats unless the rates of rent are high.

Q. 37. It is not the Act of 1929 that is so much responsible for the passing of raiyati land to non-agriculturists as the economic depression which commenced in 1930 following in the wake of heavy indebtedness incurred for marrying underage children immediately before the Sarda Act came into force, when hopes of repayment due to the then prevailing high prices encouraged them to contract debts but were hopelessly baffled by the sudden drop of the market so soon afterwards. Neither is the Act of 1938 so much responsible for the transfers as the Bengal Agricultural Debtors Act. The provision of the Act of 1938 for nullifying mortgages beyond the period of 15 years is to a large extent responsible for transfers of raiyati lands to non-agriculturists coupled with the operation of the Bengal Agricultural Debtors Act. The interests of the cultivating raiyats as a whole are suffering due to these two Acts combined, becaused no loans are available and parts of agricultural lands have therefore to be sold off. Restriction of transfer to agriculturists only is not a practical proposition if agriculturists mean only actual cultivators of average holdings who have not much capital at all. Besides, the doors of agricultural occupation should not be closed against those of other closses willing to take to agriculture as a profession by means of hired labour and on improved lines. If sales of agriculturist's land in Court are restricted to cultivating agriculturists only either there will be no sales or there will be sales only to such persons as succeed in getting themselves admitted as agriculturists under the provisions of the Bengal Agricultural Debtors Act under which people of the learned professions and others also have been held to be agriculturists. Besides the practice of the capitalist behind the agriculturists which already exists in the case of new settlements will find greater scope.

Q. 38. The minimum size of an economic holding depends largely on the size of the family and the quality of land. Since one cultivator can barely cultivate more than 15 or 20 bighas of land with the help of a labourer a large area is of no purpose to him. Besides the rate of rent and the price of the crops growing on the land are also among the main determining factors of an economic holding. All these factors can never be uniform and steady. For working purposes, however, 15 to 20 bighas may be held to be the minimum size of an economic

holding for a small family but it will cease to be so as the family grows in the course of a few years.

Q. 39. It is a fact that the size of many raiyati holdings is uneconomic. The reason apparently is that there are a large number of co-sharers due to the growth of population and the laws of inheritance. The fall of prices due to the economic depression and natural calamities have contributed largely to such a state of things. It is true that the laws of inheritance, the statutory rights of transfer (non-transferable rights are also transferred) and the increase of population are all tending to further subdivision and fragmentation of holdings.

Q. 40. Consolidation of holdings and economic cultivation though desirable is not practicable in the present condition of the country. Proper schemes should be worked out and selected villages in each district may be taken up for experimental purposes before this can be launched on a large scale. If the experiments are not successful, the idea should be abandoned for the time being.

Q. 41. Special facilities ought to be given to the cultivator to consolidate his holding by exchange. As regards increasing its size by purchase or otherwise in order to make it an economic holding there cannot be any objection if this can be done without disturbing the order of the society by drastic legislation. But these are matters which depend more or less on the circumstances of individual cultivators.

Q. 42. I would not restrict the accumulation of large areas in one particular hand as that would be interfering with the rights of individuals to acquire as much property as he can by fair means. To prevent acquisition of raiyati holdings would mean that the raiyat who happens to hold land at present should continue to possess his land even though he has contracted debts which he cannot repay or has fallen into arrears of rent by his own reckless conduct. This is an idea which is hard to support.

Q. 52. The basis of determining fair and equitable rents in Bengal should be a definite share of the produce. But customary rates adjusted according to the prices of products are likely to prevent hardships to cultivators.

Q. 53. The present rents paid by cultivators are generally based on a delnite share of the produce and customary rates not adjusted according to the fall in prices. Rent fixed by competition came into use at the time of the boom when prices of jute and paddy went up abnormally.

The majority of rents may be described as lump rent. They are generally fixed on a share of the produce, custom and competition and according to the laws and rules guiding the officers of the Settlement

Department (the zeal of the officers proving no less a factor) in fixing rents during settlement operations. Unduly low rates of rents also exist due to various reasons.

Q. 54. The poorer and weaker tenants do not usually pay higher rents in many estates but generally pay more than the rents either as abwabs or as penalty for his ignorance and illiteracy where a dishonest employee of the estate intends to rob him.

The demand for lands as an investment has also been responsible for fixation of rents and salami.

Q. 55. I would not recommend re-adjustment of rents on a uniform basis throughout all parts of the province. I would recommend the fixation for each local area of fair rent based on the prices of crops grown on the land during the last 8 years, i.e,, since the economic depression set in, prices not having varied much. To prevent inequality I would recommend enhancement in the case of lands enjoying unduly low rates of rent due to their rates having been fixed in perpetuity or existing from the time of Permanent Settlement. I would propose assessment of rents even on niskar land unless such niskar was obtained on payment of the capitalised value at a time. A new record-of-rights is indispensable for the purpose to give the matter the seal and sanction of law. The preparation of such a record-of-rights should, however, be taken up after the existing rules are revised. The price of rice should not be the standard. I would prefer the price of paddy at harvest time in each local area. The productivity of land must also be taken into consideration. Cultivated lands should be divided into 3 or 4 classes for assessment of rent. This is not done during settlement operation now.

Q. 56. I would recommend $\frac{1}{8}$ share of the produce for lands yielding normal crops, 1/5 for lands of superior fertility and advantageously situated, i.e., in proximity to district, or subdivisional headquarters or to big markets. I would not recommend more than $\frac{1}{8}$ for lands of poor fertility and open to natural calamities frequently, i.e., in 2 or 3 years out of 4 or 5 successive years during the last 8 years.

Q. 57. Rent should not be fixed in perpetuity. It should be altered according to the money value of the produce and the needs of the State from time to time. Ten years should be the period for re-examination of rents. Income-tax on profit of agriculture seems to be an unsound principle. It is bound to lead to exemption from tax in a large number of cases. This would be absolutely unfair to the landless or others who might volunteer to take the lands and pay the tax. The proportion of exemption will undoubtedly increase and would ultimately result in a chaos.

Q. 59. Too much respect for contractual rents and blindness to the need of reduction in deserving cases have been the main defects in the principle and procedure for fixing fair and equitable rents and for enhancing the rent under the Bengal Tenancy Act. The absence of rules or instructions to classify cultivated lands according to the degree of fertility and the fitness of the soil to produce more than one crop has been mainly responsible for inequitable rents. The benefit from fluvial action should be shared both by the landlord or State and the tenant in the proportion of 1 to 3, respectively.

Q. 61. I do not object on principle to enhancement on account of rise in prices, if it is steady for 10 years and is expected to be steady for another 10 years in normal circumstances. But it should be open to revision at the end of 5 years if a steady fall in the prices is noticed.

Q. 62. There should be no discrimination in enhancement on the ground of rise in prices. Elimination of those who require their whole crops for their own consumption would tend to make the tenant more improvident as consumption will not be limited to eating but other needs as well, for instance clothing and extravagance in marriage and other expenses. There should be no inequality in matters like this. It will lead to great complications and unrest among others. Every one else will strive to increase his rate of consumption in order to earn such concession.

Q. 63. Yes, I would object on principle to this ground of enhancement. It is possible that improvements effected long ago at the raiyat's own expense or advanced rent having been paid long ago as salami will be ignored if strict proof, which it is difficult to give, is not adduced.

Q. 64. Yes.

Q. 65. While settlement of rent in temporarily settled Government estates is subject to revision periodically rather at regular intervals that in permanently settled estates is more or less optional. The same regularity should be applicable to both though not only with the object of enhancement. From that point of view the procedure for (*a*) does not seem to be quite justifiable.

Q. 66. No.

Q. 67. I think so.

Q. 68. Yes. For instance in Abad Tushkhali in Bakarganj district enhancements have been stayed with the approval of the Board as they were based on prices of the boom period though similar steps were not taken in some other estates settled a year or two earlier than the above-mentioned estate.

Q. 69. Yes. Grievances on the part of tenants due to this policy are legitimate.

Q. 70. Not only the rates of rent of similar lands in different districts (in khas mahal) vary considerably, but within the same district there are cases of whole estates of similar or worse lands with higher rates of rent than the better ones. In cases of new settlements the fact of isolation of island chars exposed to the ravages of the Bay and large rivers like the Meghna and lack of facilities compelling the tenants to sell their paddy considerably cheaper (at least 4 annas a maund) have been ignored. The fact that such areas do not produce more than one crop for years to come and that single crop is only moderate in outturn has been ignored in the assessment of rents. The rule of rates in neighbouring estates has not always been respected.

Q. 71. Remission in khas mahal areas are given to a sufficient extent as far as practicable. The greatest obstacle is the paucity of officers. There is no point in granting remissions for lands on which crops have not failed to the extent requiring remissions. It is not possible for one officer to go round the whole area in his charge and to satisfy himself in the case of partial failure of crops that particular areas need the corresponding percentage of remission.

The examination of the affected area for conscientious work requires that the crop should be standing. It is common knowledge that in the winter paddy season the earlier and late varieties existing in the same field. If the earlier varieties are damaged the cultivator cannot wait for the officer to go round the whole area. Each plot is harvested and taken home by the cultivator before the officer is in a position to say what extent of remission should be granted for that plot. Field to field enquiry requires time and too much scrutiny except in the case of total failure of crops is not practicable. It is also to be remembered that the visit of an officer for the purpose of examination of the field makes all the tenants hope for equal remission whether the crops are good, bad or indifferent. It is regrettable that those who have got good crops in a field where other crops are damaged also claim the remission and complain of injustice if remission is granted only in deserving cases. The existing rules on the subject are good enough, but for want of suitable officers the rank of the examining officers may be reduced to tahsildars.

Q. 75. Larger sums were formerly spent in the colonisation areas for original works. The improvements are now restricted mainly to repair works and hence less money is required. Larger expenditure in the khas mahal area of Bakarganj district which is growing fast has become necessary and more funds should be allotted.

Q. 77. The growth of population due to unrestricted marriages, the abnormal rise of prices consequent on the Great War, the passing of the Sarda Act compelling child marriages at enormous expenditure

mainly on borrowings before the introduction of the Act, the subsequent world-wide depression, the Bengal Agricultural Debtors Act resulting in contraction of local capital, all these together have contributed to the hardships and present uneconomic condition of the raiyat.

Q. 78. The whole thing depends on the size of the holding and the size of the family, the illness in the family, the number of marriageable children and improved standard of living. 90 per cent. of the cultivating raiyats can maintain themselves and their family and others can do it for the greater part of the year on income from their holdings and other sources, such as barga cultivation, agricultural labour, fishing, etc.

Q. 79. The present system and organisation of the maintenance of land records is satisfactory enough, but improvements may be made by an attempt at complete recording (faithfully of course) of all the crops on each plot once in 5 years. The expenditure involved might be prohibitive.

Q. 80. The income of the cultivating raiyats can be increased by supply of improved seeds free, if possible, and distribution of manure suitable for the land. Supplementary work during slack seasons they almost do and in river districts they are robbing the leased-out rivers of fishes. Introduction of suitable cottage industry will certainly be helpful but they should be paying enough. Co-operative farms and co-operative marketing organisations are excellent things but plenty of uphill work is needed for success in a country like this. A system of cattle insurance might prove to be wild goose chase.

Q. 89. Yes. The only improvement that I can suggest is to allow the use of Public Demands Recovery Act to all the landlords including the tenure-holders but the exercise of powers given under the law should be used with a bit of sense and moderation. Processes should not be pressed except at harvest time and careful record should be kept of the crops of each local area and the landlords should ask for the processes on an affidavit that crops will be harvested by a particular time so that the processes may be effective and not needlessly expensive.

Q. 90. Recovery of rents through the Public Demands Recovery Act becomes harassing and objectionable only when the certificate-holder wants processes to be executed while the certificate-debtors have no money in their hands. This is the least objectionable method for speedy recovery of rents and far less expensive than the Civil Court procedure if the powers are properly used. More discretionary powers should be given to certificate officers. They should hold camps in the mofussal during the crop seasons and dispose of cases locallly.

Q. 91. It is desirable to remove complications in Revenue Laws by revising and codifying them in a simpler form. The repeal of the old Regulations and earlier Acts do not seem to be called for unless they are found to be inapplicable in modern conditions.

Reply by Maulvi K. Ahmed, Deputy Collector and Khas Mahal Officer, Noakhali.

Q. 18. If the zamindari estates and tenures are abolished the additional machineries to carry on the administration would be an enlarged Khas Mahal Department and a permanent settlement staff. The estimated cost will be about 20 per cent. or 25·3 in million rupees.

Q. 19. I think the raiyats would prefer to come under Government and pay rent to it direct. The khas mahal tenants enjoy certain advantages over tenants under the proprietors of permanently settled and temporarily settled estates. The khas mahal tenants get remission of rents for failure of or damage to crops. They pay only a fraction of the market value of the land as salami for new settlement. They are not to pay any kind of abwab. They get back a certain percentage of their rent for their education, medical aid, sanitation, drinking water, roads, etc. They can ventilate their grievances from authorities to authorities without being subjected to the arbitrary whim of a landlord.

Q. 25. I am in favour of extending occupancy rights to all under-raiyats.

Q. 26. At present both the statutory raiyats and some under-raiyats enjoy occupancy rights without any protection to the former. So I do not consider that any protection will be necessary. I am not in favour of extending this right to all actual cultivators who may be bhagchasis also. If this is done there will be several classes of tenants between the landlord and the actual cultivators.

Q. 27. I do not think that there was any intention of the Permanent Settlement to give protection to all classes of tenants including the non-agriculturists. I am in favour of giving occupancy rights to non-agriculturists in respect of their homesteads.

Q. 28. The character of a tenancy is determined from the purpose for which it was created. Therefore the right persists in the land even when it is converted to use for non-agricultural purpose. I do not, however, approve of this. I am in favour of levying an additional tax for such converted holdings just in the same way as cess is assessed for markets separately.

Q. 29. The number of bargadars is on the increase. The causes have been enumerated in question 30. I shall add one or two more causes. The middle-class men after getting educated leave their home for service elsewhere. They let out their lands in barga just to get some provision for their food. Malaria has driven away many persons to seek employment in mills, factories and merchant offices. They

also do the same. The class of people who are bargadars are too poor to pay for the lands.

Q. 30. The causes enumerated are correct.

Q. 31. The area normally held by the bargadars will be about 40 per cent. of the cultivated area. A great majority of them hold lands as raiyats and under-raiyats.

Q. 32. I do not consider that the right of occupancy and other rights should be extended to bargadars. I would protect them by providing a year's notice for giving up the lands.

Q. 33. The barga system is not economically sound. I would prevent its extension by removing some of the cause enumerated in questions 29 and 30.

Q. 34. The lands will be kept khas and a large number of people who add to their income by taking barga settlement will be thrown out of employment if bargadars are given the right of occupancy.

Q. 35. Half the produce is the fair proportion. This has stood the test of time. It will not be prudent to fix a maximum by law.

Q. 36. The wages of agricultural labourers vary from 3 annas to 4 annas with food at the time of cultivation and harvest. The economic position of an under-raiyat bargadar is far better than that of the agricultural labourers. The latter do not find employment at certain periods of the year and find it difficult to maintain themselves whereas the under-raiyats have kept some provision for food to keep them on.

Q. 37. I cannot say that the unrestricted right of transfer given by the Act of 1929 has led to the passing of considerable areas of raiyati lands to non-agriculturists. But I am prepared to say that large areas have passed to richer people who may not be all non-agriculturists. In villages it is difficult to find pure non-agriculturists. Even the mahajan can be called an agriculturist having lands to maintain his family. So long as the lands will be saleable in auction in execution of decrees of Court the transfers cannot be restricted to agriculturists only. If an agriculturist is defined to be a *bona fide* cultivator I would restrict the transfer to them. This will reduce the value of the land no doubt but investments will be made in industries. The investment in land should be discouraged as much as possible for the greater good of the country and the hunger for land is to be curbed.

Q. 38. The minimum size of an economic holding should be 10 acres.

Q. 39. It is a fact that the size of many raiyati holdings is uneconomic. The laws of inheritance, the statutory rights of transfer and the increase of population all tend to fragmentation of holdings.

Q. 40. Consolidation of holdings is desirable but it is not practicable in the settled area of Bengal. It is practicable in unsettled area.

Q. 41. I would give special facilities to a cultivator to consolidate his holding by exchange, purchase and pre-emption.

Q. 42. I consider it undesirable that lands should accumulate in one hand. I would fix 100 standard bighas as the limit. The man having 100 bighas of land will be disqualified to have more either by purchase or acquisition in any other way.

Q. 52. The fixing of rent, having regard to the produce of the land, is complicated. Still I would prefer the economic rent, i.e., the difference or half the difference between the produce of land just repaying the cost of cultivation, and land which owing to its situation or superior fertility yields produce of a much higher value.

Q. 53. The present rates have been adjusted according to the changes in prices of staple food crops. The extent in Government estates will be about 80 per cent. and 40 per cent. in permanently settled estates. In the permanently settled estates the majority of them are lump rents; 50 per cent. has been fixed by competition, 20 per cent. according to custom and 30 per cent. according to consideration of productivity of the land. It is true, however, that the rates differ greatly for lands of similar value in almost every village and estate.

Q. 54. It is my experience that poorer and weaker tenants pay higher rents in many estates.

Besides the factors suggested in the previous question the cupidity of landlords has also played a part in fixing the existing rents in Bengal. By taking large amounts of premium low rents have been fixed in perpetuity by the landlords.

Q. 55. If all the zamindaris and interests of middlemen are removed I would recommend the readjustment of rents on a uniform basis throughout the province. I would ask for economic rent as said in my answer to question 52. It cannot be done without revising the existing record-of-rights.

Q. 56. I do not consider that a definite share of the produce or its equivalent in cash should be paid as rent.

Q. 57. I am not in favour of fixing the rents in perpetuity or altering them according to the needs of the State. But I am in favour of examining them from time to time. There cannot be the same fixed period for every place. The period must differ from place to place according to its development and improvement. In

permanently settled estates where there is no likelihood of any improvement the period will be 30 years. In the permanently settled estates where improvement is expected the period should be 20 years. In Government estates which have chars and islands the period should be 15 years.

Q. 58. There is no advantage in the substitution of an income-tax for rent. Not only incomes below a certain figure would have to be exempted and, consequently, a large proportion of the land will escape Government revenue but also the income-tax which will be an annual assessment will lead to poor agriculturists being harassed every year with returns, objections and appeals.

Q. 59. The sections in the Bengal Tenancy Act for fixing fair and equitable rents do not apply to produce rents or rents partly in produce and partly in cash. They do not apply to any other crop except food crops. Though there are fixed rules for the determination of fair rents much has been left to the discretion of the Court. Even the ⅓rd reduction in section 32 of the Bengal Tenancy Act is arbitrary.

Q. 60. I object to enhancements as a result of fluvial action. The tenants suffer by many acts of God and no consideration is shown to them. To wit, when they get 12 annas of the crop in place of 16 annas owing to excessive rainfall or drought they get no consideration. It is unfair if they are asked to pay more when they get some benefit by an act of God—the fluvial action of the river.

Q. 61. I do not object to enhancements on the ground of rise in prices.

Q. 62. No distinction is possible when enhancements are given on the ground of rise of prices.

Q. 63. If there be provisions for reduction of rents on the ground of prevailing rates I do not see any objection to enhancement being made on the same ground. I am not afraid that sufficient consideration might not be given to improvements effected long ago at the raiyats' own expense or to advance rent paid by them as salami as the same may have happened to the other tenants whose rates are being compared for the purpose of reduction or enhancement of rents of this class of tenants.

Q. 64. In my opinion there should be a provision of law for reducing high contractual rents and for limiting rents for new settlements.

Q. 65. The amount of rent to be paid in temporarily settled Government estates is left to the Revenue Authorities. In permanently settled estates though the Revenue Officers are the primary authorities for

rent the Civil Courts and the High Court can interfere with their decisions. I consider the procedure justified. The proprietors of the permanently settled estates being in the enjoyment of fixed revenue cannot get the same powers of Government as are exercised by Government in the temporarily settled Government estates.

Q. 66. I do not know of any case where there has been unfair assessment.

Q. 67. It is not true that revisional settlements are made with the primary object of enhancing revenue. But revenue is increased by adjustments.

Q. 68. I do not know of any estate where the enhancements were obviously unfair.

Q. 69. It was a mistake on the part of the Government to go on with revisional settlement and to enhance the rent during the years when prices were steadily going down. This policy has led to legitimate grievance on the part of tenants.

Q. 70. The rates of rent for similar lands in different districts within khas mahals vary considerably. This is due to the discretionary powers of the authorities who are of different mentalities.

Q. 75. The Government still spend considerable sums of money for improvement of agriculture. It is not a fact that the expenditure has been considerably restricted.

Q. 76. Salami is realised at the time of settlement of new lands in khas mahals since 1919. No portion of the salami is used for improving the agricultural condition of these lands.

Q. 77. In my opinion the general policy of Government or the land system of Bengal is not responsible for the uneconomic condition of the raiyats. The increase in population and other world conditions are responsible for this.

Q. 78. A raiyat holds 1·50 acres of land on an average. His income from this will be about Rs. 60. His income from other sources will be about Rs. 48. I think 60 per cent. of the tenants can maintain themselves from the income.

Q. 79. The present system of maintaining the record-of-rights is not satisfactory. There should be a permanent staff for maintaining this up to date. I do not approve of the United Provinces procedure.

Q. 80. I approve of all the suggestion in this question for increasing the income of the cultivating raiyats.

Q. 89. The machinery available to the landlords for prompt realisation of their dues are costly and cumbrous. They are also

harassing and expensive to the tenants. The decree stage of the rent suits should be abolished and execution proceedings should be at once started.

Q. 90. I do not consider the Public Demands Recovery Act harassing and objectionable. This is the best procedure for speedy recovery of rents.

Q. 91. The complication in the Revenue Laws should be removed by revising and codifying them in a more up-to-date and simpler form. I am in favour of repealing the old Regulation and Acts and replacing them by a simple Act embodying their main provisions.

Oral evidence of Babu Satya Charan Haldar, Khas Mahal Officer, Bakarganj, and Maulvi K. Ahmed, Khas Mahal Officer, Noakhali, on 22nd February 1939.

In reply to the Chairman, Mr. S. C. Haldar said that the proposal to buy out the landlords and tenure-holders would be a financial speculation which would result in a social upheaval. He would prefer his suggestion that the Sale Law should be rigidly enforced. The operations of Debt Settlement Boards and the present no-rent mentality would result in estates coming to Government in revenue sales. If this happened, some of the tenures could be annulled under the Sale Law: others would probably find it difficult to collect rents and would eventually disappear. He saw no harm in this procedure because in the past landlords had been sold up in the same way, and it would amount simply to an extension of the existing practice. He agreed that a large number of the intelligentsia would thereby be thrown out of employment and in their place Government would have to create a huge establishment.

He thought that rent is not as low as 1/15th of the gross produce except in the case of mokarari lands at very low rates. He took 5 maunds per bigha as the average outturn of paddy in Bakarganj and Re. 1-8 per maund as the price. He also mentioned that most holdings do not consist entirely of cultivated land, e.g., in a holding of 15 bighas only 13 bighas might be cultivated. On the other hand, there might be land growing two crops. In some cases there are high rents which are more than 1/6th of the gross produce. Generally speaking, the level of rent has become higher because prices have dropped. Some high rents were fixed during the boom period when the price of agricultural produce was abnormally high. In speaking of high rents, he

said, he was thinking of the tenant at the bottom of the scale, i.e., the raiyat or the under-raiyat. He would exclude bargadars. In khas mahals estate when a raiyat's holding is purchased, the under-raiyat is recognised on his existing rent; but in some cases under-raiyati holdings have subsequently had to be sold because the rent was too high, and the holdings had to be resettled on lower rents according to the village rates. Generally speaking, there has not been much difficulty in collecting rents in Bakarganj khas mahal. This year Rs. 3½ lakhs has been collected in excess of the same period last year. Although there is now no certificate procedure, there has been a bumper crop this year. Tenants are generally prepared to pay up their rents but propaganda against the payment of rent is being carried on by interested persons. There may be a secret organisation behind this propaganda, but most of the agitators are resident in the khas mahal areas and backed up by agitators from the Noakhali district.

In reply to the Chairman, Maulvi K. Ahmed said that in Noakhali rent does not exceed 1/13th of the gross produce. He took 18 maunds an acre as the average outturn of paddy and the rate of rent is Rs. 3-2 an acre.

Landlords have nothing to fear from Debt Settlement Boards, because the tenants can only go once to the Boards and not thereafter.

He was in favour of the State purchase of zamindaris and tenures, and of paying compensation by instalments after taking over the estates and paying all costs of management. After State-purchase, rents which are unduly high should be decreased and those which are unduly low should be enhanced. In his opinion it would be possible to enhance rents. The tenants would prefer to come under Government and Government would be a better landlord. He considered the barga system unsound because by giving land in barga the raiyats lose half of the crops. He thought that the system leads to indifferent agriculture.

Mr. S. C. Haldar did not agree that the barga system is unsound. There are persons like widows and minors, the infirm and invalid who must be allowed to give land in barga. One reason for the extension of the system is that some tenants are idle and prefer to give land in barga rather than on cash rent: another reason is that some people acquire larger areas than they can themselves cultivate; they must therefore give land in barga and prefer to do so because they get more from a share of the crop than from the cash rent. A man cannot cultivate more than 15 bighas himself with bullocks and 20 bighas with buffaloes. There are two classes of bargadars: those who supply seed, cattle and plough, and those who do not. The share of produce given by the bargadar is not the same in both cases. It is partly true that raiyats who have been sold up and have lost their holdings stay on the

land as bargadars. The number of co-sharers in some holdings also tends to extend the barga system. He would not however describe the system as bad. Most bargadars have some land of their own, but it is insufficient to maintain them, and so they have to take land in barga.

Maulvi K. Ahmed said that the barga system is extending and lands are passing into the hands of non-agriculturists, i.e., the statutory raiyats are tending to become rent-receivers.

In reply to Khan Bahadur Hashem Ali Khan, Mr. Haldar said that the demand from the Bakarganj khas mahal is over 18 lakhs including the colonization area. Last year it was about Rs. 50,000 less. The increase is due to settlement of new lands, and purchase of estates and tenures. The average collection is 90 per cent. but he expects it to be more than 100 per cent. this year. Last year there was no famine but there was a shortage of food in July and August owing to the failure of the aus crop. Loans amounting to about Rs. 72,000 were granted and they have almost all been repaid. It might have been possible to give more money by way of loans. 50 per cent. of the tenants pay their rents regularly, 10 per cent. people are habitual defaulters and of the remaining 40 per cent. half are obstructionists, consisting chiefly of the semi-educated middle class. Against the latter tenants certificate procedure or revenue sale is necessary.

There is a great demand for char lands. Some years ago lands used to be settled though not fit for cultivation immediately but subsequently the rents had to be remitted. This was done at the insistent demand of candidates. The demand for land comes partly from people who have lost their lands owing to diluvion and partly from those who want to acquire more land. This year he was unwilling to settle new lands without providing necessary embankments. In reply to the Secretary, he said that the Irrigation Department is consulted in such cases, but they have kept some files pending for several years.

Formerly large areas were settled with bhadraloks occasionally under Government orders in recognition of their services. Ordinary cultivators may not have been given more than 2 or 3 acres because they could not pay salami for more lands. He did not agree that settlements of new lands are made in a haphazard manner: There is a regular system by which plots are divided into areas of 2½ acres each. In khas mahal estates land has been reserved for pasture. Formerly no pasturage was reserved except occasionally of small areas.

In reply to Sir F. A. Sachse, he said that by reserving pasture lands the area available for settlement is reduced and some claims for settlement have had to be ignored. The tenants frequently encroach on the pasture lands.

Continuing to Khan Bahadur Hashem Ali Khan, he mentioned that last year Rs. 3,000 had been sanctioned by the Board of Revenue to encourage the cultivation of rabi crops but the crops had been largely destroyed by the cattle of the tenants whose lands were not fit for rabi crops.

Khas lands of howladars and nim-howladars of Barguna estates were assessed at the revisional settlement at Rs. 5 an acre. As a result of a continuous chain of subletting there are now cases where under-raiyats pay as much as Rs. 20 an acre. But in this sort of land the average produce is never less than 8 to 10 maunds a bigha. Even now it is the regular practice to take rent in advance; as much as Rs. 35 a kani (4 bighas 16 cottahs) is taken and it is still profitable for the lessee to cultivate. If tenure-holders were abolished and rents were reduced to the level of village rates, there would not be much profit to Government, because the margin of profit of tenureholders is not much and raiyats under Government are already paying at village rate. The estate in which there is an unusual number of tenures is the Barguna estates measuring 21 square miles. In other khas mahal estates the number of tenures is not so large but there are big tenures which under Civil Court decrees have received the status of temporarily settled private estates. Enhancements of rents have been made in various estates when resettlement fell due. Enhancements were made up to 1933-34 but at the Board's orders effect has not always been given to them. He did not agree that the general fertility of the land is deteriorating but said there must be some natural causes for the smaller crop during the last few years. Government have provided embankments in khas mahal areas but he did not agree that this is the principal cause of outbreaks of Malaria. There has been Malaria even in the northern parts where there are no embankments; in Patuakhali, and Bhola, and in permanently settled areas, as well as in khas mahal areas. Golachipa has been affected by Malaria, but it is not mainly a khas mahal estate. He did not agree that landlords have done nothing for the improvement of their estates. There are cases where they have founded dispensaries and schools. In Bakarganj there are few big landlords and he could not say if they have done anything to improve their estates. He could not also say that landlords generally have applied to come under the Court of Wards. He thought that some might agree to part with their estates for equitable compensation. There is less litigation in khas mahal areas in Bakarganj than elsewhere because the khas mahal area is less populous. He did not agree that the cost of management will be much reduced if the whole province becomes a khas mahal. The present staff is most inadequate. The cost of management has been as low as 5·5 per cent. in Bakarganj. This is not because the area is scattered, but because there has been no increase in staff during the last 15 years although Government revenue has gone up from Rs. 6 lakhs to Rs. 18

or 19 lakhs. He thought that the cost of establishment, if the whole province becomes a khas mahal, would be at least 10 per cent. or 12 per cent. To this the cost of improvements would have to be added. There would also be officers on higher-grade pay for supervision, and this might bring up the cost to 15 per cent. If Government bought out the landlords and tenure-holders, he did not think there was likely to be a large margin of profit after reduction of rent, increased establishment cost and provision of interest on bonds and other incidental costs, and thought it would certainly be less than Rs. 3 crores. The figures should be worked out before a decisive step is taken.

In reply to Khan Bahadur A. Momin, he said that his opinion regarding the effect of buying out the landlords and tenureholders was based on a rough calculation. The cost of management had been 5·5 per cent. in the past in Bakarganj but this year the staff had been nearly trebled for part of the year and the actual cost was 6·6 per cent.: Even this is inadequate. If the province becomes a khas mahal it might be possible to manage at 9 per cent., but that would not really be adequate. Government as an ideal landlord would have to spend on improvements. He agreed from that point of view that it would be advantageous for Government to be the sole landlord in Bengal.

There are at present 7 Khas Mahal Circle Officers in Bakarganj under himself. If the entire district was khas mahal there would have to be additional Khas Mahal Officers. Proportionately the cost might be the same as in the existing Khas Mahal but the pay of higher supervising officers would have to be taken into consideration.

Maulvi K. Ahmed said that the cost of management in Noakhali is now 8 per cent. If the province became a khas mahal, his estimate of 20 per cent. would cover 10 per cent. as management cost and 10 per cent. for improvements and maintenance of records. In permanently settled areas, the record-of-rights has not been kept up to date. He agreed however that in Noakhali, the cost of management might be less because the present khas mahal is situated mainly in char areas where management is more difficult on account of erosion and consequent litigation.

Mr. S. C. Haldar said he did not consider it undesirable that Government should acquire estates by rigidly enforcing the Sale Law. If the effect was to remove a number of landlords without compensation, that could not be helped. The reasons why the zamindars find difficulty in realising their rent are the no-rent mentality among the tenants fomented by interested persons and the operation of the Debt Settlement Boards. Zamindari is not a profitable business nowadays. He considered that if the landlords are to be bought out, they should be given compensation amounting to at least 10 times the net profit.

He was not prepared to give any opinion on the proposal to levy a tax on agricultural incomes. He thought that some landlords might agree to sell at 10 times the net profit but others will not.

Maulvi K. Ahmed said that if the landlords and tenure-holders were bought out, compensation should be between 10 and 15 times the net profit.

In reply to Khan Bahadur M. Hosain, Mr. Haldar said that the khas mahal in Bakarganj is one-sixth of the whole district. If the district became a khas mahal, it would be necessary to have 5 more Khas Mahal Officers. Their number would not be affected by the fact that the area will be more compact. The principal criterion is the amount of work that a Khas Mahal Officer has to do. He agreed that bargadars might be regarded as falling into two classes: those who finance agriculture and those who do not. He would not however draw any distinction between them from the point of view of granting them any rights. He regarded them as a kind of agricultural labourer and said that in their case there is no question of rent as they have no responsibility in that respect.

Maulvi K. Ahmed thought that bargadars who finance agriculture should be given some rights: he had suggested in his reply that they should not be turned out without being given one years' notice.

Mr. Haldar mentioned that there are bargadars who have more than 100 bighas and employ labourers because it is impossible for one bargadar to cultivate such a large area. He thought that it would be impossible to prevent people from acquiring more than a certain area of land, nor would it be possible to try and base the area of holdings on the agricultural population. That would result in the creation of more uneconomic holdings. He was not in favour of restricting sale and pointed out that such a measure would prevent people from getting money at a time when they most needed it. Tenants who sell their holdings do not necessarily starve: they may use the sale-money to pay off their debts or make a living from industry, or other occupations. Legislation may stop sales of agricultural land but cannot stop the growing wants of people and should not therefore stop sales of land. It should not stifle the choice of occupation for the future generations. The theory of "once a cultivator always a cultivator" is out of date. To imagine that there should be no agricultural labourers available for kind or money is to think of the impossible.

Maulvi K. Ahmed said that he was in favour of restricting sales with the object of preventing the growth of uneconomic holdings.

Mr. Haldar said that the barga share paid by the bargadas in not always half: sometimes it is 6 annas of the crop. The tendency is

towards an increase in the share which the bargadar receives. With reference to his proposal that an occupancy raiyat who sublets his entire holding should lose the occupancy right, he agreed that under section 182, Bengal Tenancy Act, a raiyat cannot contract himself out of his occupancy right. He maintained that the Bengal Agricultural Debtors Act and the provision of 1938 Bengal Tenancy Amending Act for nullifying mortgages beyond 15 years are mainly responsible for the increase in the number of sales. He had made enquiries in Sub-Registry Offices and had found that there had been a great increase in the number of sales during the past year. The tenants were forced to sell their holdings or part of their holdings because they had to raise money owing to the restriction of credit as a result of the Bengal Agricultural Debtors Act.

Maulvi K. Ahmed did not agree with the above view and said that the Bengal Agricultural Debtors Act has been beneficial to the tenants.

Mr. Haldar agreed that rent free holdings could only be assessed as proposed by him if the Permanent Settlement is abolished or new legislation introduced. He was not aware of any system of co-operative holdings in Bakarganj for the benefit of the poorer tenants who had lost their land.

Maulvi K. Ahmed said that according to his estimate, the area held by bargadars in the Khas Mahal of Noakhali is 40 per cent. The tenants are foreigners who do not live on the land. Surveys are at present carried out every 15 years on account of new formations. He did not agree that a detailed survey is made when new land has to be settled. He thought that the interval between the surveys should depend on local conditions.

In reply to Dr. Mukherji, Mr. Haldar said that Government is not to be blamed for high rents in the khas mahals. There are no unduly high rents. They have been fixed on the basis of the previous 10 years' prices under section 30 (*b*). If possible, he would prefer to follow the Madras system of classifying lands and would certainly increase the number of classes in Bengal, e.g., in Bakarganj, he would divide nal land into several classes.

In reply to Sir F. A. Sachse, he said that such a system of classification would not be impossible but would certainly be very difficult. It would not be possible for amins to do the work: it would have to be carried out by Gazetted Officers or possibly by kanungos. The amins may do the work but this work requires careful checking by responsible officers.

Maulvi K. Ahmed agreed that such a system of classification would be very difficult in Noakhali.

Continuing to Dr. Mukherjee, Mr. Haldar said that in theory it was desirable that each plot should be classified with reference to its productivity. If the whole province became a khas mahal, the homesteads, gardens and tanks of landlords and tenure-holders would have to be excluded from the acquisition proceedings.

Maulvi K. Ahmed said that the barga system is extending and land is passing to non-agriculturists. He was in favour of insisting on subleases to under-raiyats and on checking the barga system. He thought it could not be abolished altogether. There might be a few cases of well-to-do bargadars who employ labourers, but generally speaking, bargadars themselves cultivate. He thought that an average family could cultivate as much as 10 acres.

Mr. Haldar did not agree and thought that 15 bighas is the maximum if bullocks are used and 20 bighas if buffaloes are used for an individual cultivator assisted by one labourer or relation.

Maulvi K. Ahmed said that in Noakhali, 5 acres is the standard unit in the khas mahal. He agreed that if a man had 10 acres and several sons inherited the property, the only solution for them to have a full economic holding would be to acquire additional land.

Mr. Haldar said that he was opposed to acquiring the homesteads of tenure-holders and turning them out.

In reply to Mr. B. K. Roy Chowdhury, Mr. Haldar said that he had enquired from some friends of his who are landlords and they had told him they would be satisfied with 10 times the net profit but it depends in each case what is the proportion of the revenue to the assets of an estate. In Bakarganj most permanently settled estates are small. Some might be sold for 10 times the net profit but not all.

Maulvi K. Ahmed said that when zamindaris are sold the net profit is taken in calculating the sale price. He could give no definite instances. His general idea was that 10 to 15 times the net profit represents the fair price. In khas mahals "enhancements" have not been made, but the rent is rather adjusted according to the level of prices. He agreed that the average rate of rent is higher in khas mahals than in permanently settled areas. In permanently settled estates, there are a number of mokarari holdings whereas in the khas mahal there are none. In some cases, mokarari leases were given by zamindars after taking heavy salami.

In reply to Sir F. A. Sachse, Mr. Haldar said that he was in charge of the collections in Rangpur district when the Cossimbazar estate collected more than 10 lakhs within a few months under section 99, Cess Act. Collections were made from the under-tenants of jotedars, and they had no difficulty in paying. Although this happened at the worst period of the depression, the under-tenants were able to pay two years' rents, which averaged over Rs. 4 an acre. This they did to earn remission of interest and to avoid certificates. In consideration of this fact, he agreed that Rs. 3 an acre is a moderate rent in proportion to the gross produce. When he advocated reduction of high rents he referred to the cases where rent is unduly high. He thought that the average outturn of paddy in Bakarganj is rather higher than in Rangpur. In districts like Hooghly and Howrah, he thought that the average outturn would be 4 to 5 maunds a bigha. He agreed that the rent in those districts is very high and as much as Rs. 15 an acre. He was not aware whether the Congress Committee had enquired into the outturn of paddy in the Damodar area and came to the conclusion that it is 24 maunds per acre. Asked whether tenants in western Bengal were able to pay a rent of Rs. 15 if they only got 5 maunds of paddy per bigha, he said that they might make a supplementary income from second crop or other sources. In Bakarganj they get an income from the sale of cocoanuts and betelnuts.

Maulvi K. Ahmed agreed that the maintenance of records in Court of Wards estates is not satisfactory. In khas mahals it is much better but there is room for improvement. The staff for maintaining the records is inadequate and if the province became a khas mahal, there would certainly have to be increased staff on this account.

Mr. Haldar agreed that the system in Sir Daniel Hamilton's estate of letting out the first rain water and washing away the accumulated salt, is desirable. A similar experiment has been made this year in Bakarganj in an area of 200 acres where a sluice gate has been constructed. The result has been a somewhat improved crop. He agreed that more might be done to provide sluice gates and said that the Agricultural Engineer had been asked to provide a less expensive type of sluice gate.

Maulvi K. Ahmed said that the tenants in the estates managed by the Court of Wards would be willing to come under the khas mahal.

Mr. Haldar agreed and said that the only reason why the tenants might dislike Government management is the regularity of collection.

He agreed that if Government took an ijara of some permanently settled estates, it would be much the same thing as having the estates under the management of the Court of Wards and granting malikana to the proprietors. The tenures, however, would remain. He thought that in general the tenures are a bigger stumbling block than the zamindars. He agreed however that the tenures might disappear in course of time if the Sale Law was rigidly enforced.

The Chairman then put some question on behalf of the Maharajadhiraja Bahadur of Burdwan, who was unavoidably absent, and the following replies were given:

Maulvi K. Ahmed said that under-raiyats got occupancy right by custom only, but he was in favour of extending the right to all under-raiyats by statute. He agreed that this might lead to further subinfeudation but he wanted to protect the under-raiyats because they are the actual cultivators. Non-agricultural holdings are now assessable under the Non-agricultural Lands Assessment Act. He did not consider that an additional levy on such holdings would be a breach of the Permanent Settlement. He agreed that landlords can restrict alienations at the time when they make new settlements, but they have no powers in the case of transfers by sale. Although he had said that 60 per cent. of the raiyats can maintain themselves from an area of 1½ acres, he had recommended 10 acres as an economic holding because he regarded that as the ideal area for agricultural purposes only: tenants with 1½ acres would have to earn a subsidiary income as labourers. He was in favour of restricting the acquisition of further lands by anyone who has as much as 100 bighas. He thought that this would be possible, but agreed that the laws of inheritance could not be altered. He agreed that under section 38, Bengal Tenancy Act, a raiyat can get a reduction of rent on account of deposit of sand, but said that he could not get any reduction for damage by cyclone or floods. He said that in recommending the reduction of high contractual rents, he had assumed that the Permanent Settlement would be abolished and the province would become a khas mahal.

Mr. Haldar said that he agreed that if the province became a khas mahal and a new record-of-rights were prepared, the tenants or the State would have to pay a larger share, because there will be no landlords or tenure-holders to bear their share of the cost. The tenants who sought to get a reduction of rent would be willing to pay but not those whose rent might be enhanced. He had suggested the rigorous application of the Sale Law because he thought it undesirable for Government to shoulder a heavy financial burden by buying out the landlords and paying them compensation.

He was in favour of taking away the occupany right from raiyats who are non-cultivators and have sub-let their holdings. He was not

in favour of two men having the same right in the same land. He agreed however that if a raiyat's holding were sold and the raiyat had no occupancy right, he would not be a protected interest under section 160, Bengal Tenancy Act. He explained that by "unrestricted marriages," he refered to cases of persons who have several wives. He is in favour of giving certificate powers to all landlords and tenure-holders subject to adequate safeguards.

In reply to the Secretary, Maulvi K. Ahmed said that he would provide for consolidation of holdings by allowing raiyats the right of pre-emption in lands contiguous to their holdings. He would also provide facilities for exchanging plots and would give compensation to the tenant who is forced to exchange his land. Mr. Haldar explained that the principle he advocated for fixing fair rent was that subject to a maximum share of the produce, the assessment should be made on the system of a table of rates.

Reply by Babu Prafulla Chandra Mitra, Khas Mahal Officer, Faridpur.

Q. 19. I am clearly of opinion that by far the vast majority of raiyats would prefer coming directly under the Government and pay rent to it. During my tenure of office as a Khas Mahal Officer I found the raiyats anxious to be brought directly under the Crown by the annulment of tenures when the estates were purchased by the Government in revenue sales.

The khas mahal tenants used to enjoy the following special advantages:—

(1) Generally they have to pay rents at reasonable rates.

(2) They get remission and abatement freely on diluvion. Three mighty rivers are constantly cutting away and so diluvion is an important feature in Faridpur district.

Even after 1938 amendment khas mahal tenants will continue to enjoy some special advantages in this direction.

(3) After reformation the old tenants used to get the first preference.

(4) Government used to spend considerable sums of money in effecting improvements and there were few exactions by subordinate staff.

(5) The tenants knew where they stood as khas mahal work proceeded on a defined system unlike some private proprietors who follow a policy of drift. In case of difficulty they could easily bring their grievances to the notice of the superior officers.

Q. 25-26. On principle I am in favour of confining the right of occupancy to the tiller of the soil. A raiyat is primarily a person who has acquired a right to hold land for the purpose of his own cultivation and as such he must have the right of occupancy. It stands to reason that he should forfeit his right to the extent he sublets. But there are practical difficulties in the way.

In the first place it should not be easy to divest him of the right vested in him. This could possibly be done in a declaratory suit by a Civil Court but the point arises as to who will agitate in the matter. The Government could not do it for obvious reasons and the under-raiyat would not do anything for fear of offending his raiyat landlord.

Secondly, the raiyat may not require all his land all the time for his personal cultivation. He should therefore have the option of subletting and it is undesirable that he should be divested of his right of occupancy by sub-letting.

I am against indiscriminate extension of the right of occupancy to under-raiyats: ordinarily it should be left to the under-raiyat and the raiyat to settle the period of occupancy by contract. But if an under-raiyat is allowed to carry on for 12 years or to build a house it should be presumed that the raiyat does not require the land in the near future. In such cases the under-raiyat should have the right of occupancy.

Similarly where the under-raiyat enjoys the right of occupancy it should be allowed to stand. The raiyat-landlord has the previous knowledge that he once sub-lets he parts with the land for good and so he could not complain if the under-raiyat claimed the right of occupancy. Besides, no legislation going directly against customs is ordinarily desirable.

Q. 27. I do not think that the framers of the Permanent Settlement gave much thought to the protection of the non-agriculturists. In Article VII (First clause) the Government ruled that it was its business to protect all classes of people but declared its intention to enact necessary legislation for the protection and welfare of the dependant talukdars, raiyats, and other cultivators of the soil. So it is evident that the attention was mainly directed to the improvement of and protection of the lot of the tillers of the soil. In paragraph 3 of Article VI it was hoped that the proprietors would exert themselves in the cultivation of their lands.

The importance of agriculture in the country's prosperity was emphasised in the Bengal Regulation 2 of 1793. It was clearly enunciated that the wealth of the country would increase in proportion to the extension of agriculture.

It is therefore clear that about that time the Government laid great stress on improvement of agriculture and by the enactment of Regulation I of 1793 expected to improve the condition of agriculture and agriculturists who formed the bulk of the population.

Q. 28. The question does not make clear what statutory rights are meant. Presumably those of the raiyats and under-raiyats are hinted at.

Theoretically it may not seem desirable that the statutory rights intended for the protection of cultivators should persist even when the lands concerned are used for non-agricultural purposes. But in practice it would be quite otherwise.

If a raiyat uses his lands for any purpose other than agriculture he should not in my opinion be disturbed unless he makes it unfit for the purpose of cultivation. If a raiyat chooses to use the land to better advantage without causing any permanent deterioration he should be allowed the option and not subjected to any extra taxation. He would

thereby be benefiting both himself and the community. The industrial side of the country remains yet to be developed and an additional taxation would act as a handicap. The same remark should apply to an under-raiyat.

Q. 29. The number of bargadars is slightly on the increase. Some of the prominent causes are stated below:—

(1) The economic depression of 1929-1932 and its after-effects.

(2) The shrinkage in rural credit facilities due to a variety of reasons.

(3) Constant diluvion in the riparian areas which sometimes leaves a man with lands in different places widely apart.

Q. 30. (*i*) I do not think that the omission in the amending Act of 1929 to give any statutory rights to bargadars in any way encouraged barga system. Any such right, if conferred by that Act, would have had the effect of throwing out many of the present bargadars but at the same time it would have brought in many others who were better off. The bargadars would then be nearly as good as tenants (raiyats or under-raiyats) and people with money would have gone in for it.

(*ii*) I do not think that the Act of 1929 gave any particular facilities for transferring occupancy rights to non-agriculturists. As a rule they could easily secure the recognition of the landlord on payment of mutation fee even before the 1929 amendment.

(*iii*) True it is that non-agriculturists purchased a large number of holdings during economic depression and many of these had to be cultivated in barga system. But this was greatly counteracted by another feature. The mahajans, due to the depression, had very little cash in their hands. They had invested their nearly all to the agriculturists on the very high rates of interest then prevailing. This they could not get back and so they could not do much in the way of purchasing agricultural lands.

Q. 31. I think the bargadars in this district hold no more than 7 per cent. of the total area under cultivation. Most of the bargadars hold lands also in raiyati or under-raiyati rights.

Q. 32. I may state at the very outset that the very name of bargadar has been associated with somebody having no permanent connection with the land he cultivates. Any legislation conferring statutory rights of occupancy, etc., on the bargadars would be of a revolutionary character and there would be difficulty in practical application. The system has, so to say, bred in the bone of Bengal and attempts at evasion would be widespread and stubborn. I would therefore leave the bargadars alone.

Q. 33. I do not think that the barga system itself is radically unsound but it is capable of very considerable abuse.

Q. 34. The effect of giving occupancy rights to bargadars would be disastrous indeed. Most of the present bargadars (i.e., those who are altogether helpless and need help) would be thrown out. Others would creep in in their places who are better off and would be able to pay for the rights.

Q. 35. A maximum of one-half may be fixed by law.

Q. 36. The average daily earning of an agricultural labourer is 5 annas per day in the Faridpur district. The difficulty is that he does not get work all the year round and is in particular distress when crops fail and the demand of his labour falls.

He is decidedly worse off than a bargadar or an under-raiyat.

Q. 37. As already hinted I do not think that the unrestricted right of transfer conferred by Act of 1929 had led to the passing of considerable areas to non-agriculturists. It put the transfer fees at an unusually high rate which rather retarded sales. This Act also made the transfer fees payable at the same time as the price of lands which was also an additional difficulty. The Registration figures show a remarkable fall after 1929 not all of which can be explained away by the economic depression.

The Act of 1938 will probably tend to increase transfers by sales to non-agriculturists but the operation of the Bengal Agricultural Debtors Act and the work of Debt Settlement Boards will greatly counteract any tendency in this direction. It would be beneficial if transfers could be restricted to non-agriculturists. But it is not practicable and besides any such attempt might set class against class which would be harmful to the country as a whole.

Q. 38. I should consider 7 acres as the minimum size of an economic holding.

Q. 39. The size of raiyati holdings is more often than not uneconomic. Laws of inheritance and the pressure of population are gradually tending to further and further fragmentation. I do not think that the amendment of 1929 did in any way make matters worse and it is as yet too early to judge the effects of 1938 amendment.

Q. 40. Consolidation of holdings is certainly desirable but it is hardly possible to effectively secure it so long as the present laws of inheritance and the pressure of population continue.

Q. 41. The only facility I can think of is to give a cultivator financial assistance so that he can make his holding more economic by purchase or exchange. But there is another party to the bargain who may not be as keen on it. Besides, there are usually lots of co-sharers, possessing or non-possessing, all of whom will have to be satisfied, otherwise he might be purchasing litigation. It should not be

easy to finance so many people who will all need assistance and it would be less easy to collect any amount advanced.

Besides, any improvement effected in this direction would be of a temporary nature and would be neutralised in about 15 years' time.

Q. 42. Accumulation of very large areas in a single hand is undesirable. The danger in this direction is not however considerable and so no special action is called for.

Q. 43. As regards the determination of fair and equitable rents I have carefully considered the different systems which appear to have been tried or advocated elsewhere. The only workable system seems to be the assessment of a definite share of the produce as rent. For this, lands will need classification into 3/4 groups according to their productivity. Average produce of each class should be ascertained and its money equivalent calculated on the basis of price statistics spread over (say) 10 years and a definite share of the same may be assessed as rent. True it is that a fixed proportion for all classes may operate harshly on holders of poorer lands. This may be neutralised so far as possible by slightly varying the rate according to classification.

The other methods are open to serious objections and some of the grounds are briefly stated below—

(1) *Economic rent* (i.e., difference or half the difference between produce of land just paying its way and better lands).—It would be very difficult to find out which is the land which just pays its way. This would differ from village to village and is also likely to be grossly coloured by the personal views of different officers making enquiries in different villages. In the present-day Bengal when the tenants are just becoming vocal there would be so persistent effort on their part to show that their lands are unprofitable that it would be well-nigh impossible to hold an independent enquiry.

There is also another danger that tenants would, at least temporarily, neglect their lands in the hope of rent being reduced and thus there would be immense loss to Bengal as a whole.

(2) *Economic rent* (i.e., half the profit of the cultivation).—This is unworkable. It is well-nigh impossible to work out the profit of every individual cultivator which does not depend on the kind of his land alone.

(3) *Economic rent* (i.e., on the basis of market value).—Apart from the difficulty of ascertaining market value it would lead to assessment of inequitable rents. The market value would not depend upon productivity but also on situation.

The improved situation does not necessarily increase his income in the near future and to make a tenant pay additional rent for this is not equitable.

The analogy of urban lands does not apply. There the situation is the all-important factor and productivity has very little place.

(4) *Customary rates.*—As anybody having practical experience knows, it is usually so difficult to ascertain customary rates unless the average rates in a village are taken as customary rates. But average rates (i.e., dividing the total rent by total area) in a village would hardly be at all equitable.

(5) *Rents fixed by competition.*—This would be obviously inequitable.

Q. 53. The majority of rents in the permanently settled estates may I think be described as lump rentals. In the Government estates, however, there is a certain amount of uniformity in rents for the lands of same class which is due to the periodical revision of rents.

It is true that in practice rates differ greatly for lands of similar value.

Q. 54. I have not noticed any particular estate or estates where poorer and weaker tenants have to pay higher rents. But I have seen that enhancements legal or illegal were more readily made where tenants are poor and weak.

Q. 55. I would certainly recommend a readjustment of rents on a definite basis throughout the province assuming that all middlemen between the State and the raiyat are removed. Otherwise the Government would be in an anomalous position of having to charge rents at widely different rates for the same class of lands. In fact there would be so great a clamour for revision that it would be impossible for a popular Government to resist it.

I would recommend a definite share of the produce, slightly varying according to classification, as the most suitable basis for the assessment of rents afresh. This would not be possible without the preparation of a fresh record-of-rights. The classification could not be done without a field-to-field enquiry and the correction of previous record but no fresh survey would be required.

Q. 56. I think that between 1/6th to 1/7th of the gross produce should be assessed as fair and equitable rent.

Q. 57. Rent once fixed should not be disturbed for at least 20 years and then also not unless the dates on which the previous assessments were based, had substantially altered.

I should think, it would be an undesirable thing that rents should be liable to revision according to the needs of the State. For one thing, it will be easy to lower the rents but extremely difficult to raise it.

Q. 58. Substitution of income-tax in place of rent would be open to very serious objection. In the first place assessment would be extremely difficult to make. Income-tax is to be imposed on a person or a family and it would be no easy job to ascertain how much land a particular individual or family possesses. To ascertain the income from the same would be all the more difficult. The assessments of income-tax are likely to be still more inequitable than rent.

Besides, a minimum will in any case have to be fixed with the result that a large number of tenants will escape any payment at all. Their proportion, I think, would continue to increase as time goes on.

Instead of this I would prefer to encourage the redemption of the holdings by the tenants.

Q. 59. I should think that enhancement of rents on the ground of increase in prices has operated harshly on the tenants. In such cases no note was taken of the fact that cost of cultivation also increased.

I also consider it inequitable that rents should be raised if it is below prevailing rates.

Q. 60. Fluvial action should I think be considered as a suitable ground for enhancement. On this ground the tenant also is entitled to be granted a reduction of rent. In the absence of such a provision the tenant would have suffered heavily as in the riprarian areas lands are frequently spoilt by the deposit of sand.

Q. 61. No. But the increase in the cost of cultivation and also of the cultivator should be taken into consideration and allowance should be made for it.

Q. 62. Yes, if enhancement on the ground of rise in price is at all to be given it should be done though the tenant consumes his whole crop.

Q. 63. I do not approve of enhancement on the ground that any rent is below the prevailing rates. It is so very difficult to find out what prevailing rates are. Besides the procedure enunciated in the Bengal Tenancy Act tends to lead to iniquitous results.

Q. 64. Yes.

Q. 65. I have no particular comment to make on the sections as they stand (viz., 104 to 105, Bengal Tenancy Act).

Q. 66. I have not come across any such case.

Q. 67. While undertaking the expenses of a revisional settlement the State naturally considered the outturn it would get in return.

Q. 68. No.

Q. 69. I was not connected with the khas mahal until after the depression. In a few cases it might have been better to postpone the collection of revised rents till better times. But I have known cases where the rent assessed by the Settlement Department was reduced on the ground of hardship.

Q. 70. This is mainly due to the difference in the quality of lands. Besides, the rents were generally revised in the light of those of the neighbouring estates.

Q. 75. The Government is giving its usual quota to the Faridpur khas mahal which can have no complaint on that ground.

Q. 76. Salami is being realised since 1919. Yes, in a manner it is done. In the allotment of grants to the khas mahals of the province the salami is also taken into account.

Q. 77. I think that the land system of Bengal has had something to do with the uneconomic condition of the raiyats. I have seen the cases when the landlords deliberately allowed rents to fall in arrears and then filed rent suits with the ultimate result of purchasing the holdings and evicting the raiyats. The illiterate raiyats could not take advantage of the provisions of law intended to protect them.

No tenancy legislation would improve matters unless it is backed by a drive for mass education and for raising the moral tone of the raiyats.

Q. 78. The average gross income of a raiyat with 10-bighas area is estimated at Rs. 115 and Rs. 30 from other sources.

Q. 79. I do not think that the present system of maintenance of land records is satisfactory. It is possible to make continuous and accurate land records in small units of villages but I think cost would be prohibitive.

Q. 80. The income of the cultivator may without much difficulty be increased by supplying improved seeds and manures.

By giving them supplementary occupation during slack season their income may be appreciably increased and in this direction establishment of cottage industries would be useful. But the great difficulty is about the marketing of the produce and in this matter State assistance is essential.

Cattle insurance system would be useful but is likely to be unpopular.

Q. 89. Rent suits are costly for the landlords but more so for the tenants. In my opinion certificate procedure cautiously administered is good for the tenants as well as the landlords.

Q. 90. Generally it is not but it might have been so in individual cases. The remedy lies not in the abolition of the system but in improving it.

Q. 91. Theoretically I approve of the suggestion. But revision and codification require a calm atmosphere which is not available in the present condition of the country. It has just entered a new phase of self-government and the present is not suitable for undertaking so complicated a legislation.

Reply by Mr. A. E. Porter, I.C.S., Collector of Tippera.

Q. 10 to 19 and 21. It is doubtful whether those who framed the Permanent Settlement thought (and indeed whether the current political and economic theory of the time took adequate account) of what has since come to be recognised as the principal object of policy, viz., the welfare of the common people. "Improvement of estates" probably meant no more than increasing the net profit of the landowner, and it would never have occurred to those dealing with the problem to consider whether the whole of those who were supported by the estate were maintained in conditions of reasonable comfort. The principles on which the Permanent Settlement was based have therefore now fallen out of date.

The question whether the Permanent Settlement and the zamindari system which it has fostered should be set aside therefore involves not only a question whether the State should have access to any part of the increased yield from the land which it is now unable to tap but also whether cultivators (independently of any possible increase in revenue) would be better off as tenants of Government or under some other system. The two are not necessarily antagonistic, e.g., it is theoretically possible that the cultivators might be better off as tenants of Government whilst Government at the same time drew from the land a greater revenue than at present; but they are distinct.

In any case there can be no doubt that there is no bar in constitutional theory or practice to the revocation of the Permanent Settlement and the repudiation of the engagements made when it was enacted. The only question which arises is whether such action is morally and materially expedient.

On the moral side it seems to be clear that some sort of compensation would have to be paid to those who might be expropriated. It is profitless to consider whether or not before the Permanent Settlement zamindars had anything like their present status: the fact is that for a century and a half they have enjoyed a status under the most solemn engagements which in any case could now be diminished only by giving them not merely compensation but reasonable and adequate compensation. Expropriation could be morally justified only on terms which left those expropriated no legitimate cause for grievance.

Whether in such circumstances Government could modify the Permanent Settlement so as to secure substantial increase in the public revenues depends on two factors. First, there is the question whether the costs of management under present system are so excessive that if Government took over management it could make considerable savings. This approach to the problem assumes that Government

would have to make to the landlords a compensation equivalent to their present net income from their estates. The other approach assumes that they are getting a disproportionate return from them and that the compensation which they should get can be equitably reduced to bring them in less than their present income. Looking at the problem in the first way it is doubtful whether Government could administer the land in direct relations with the raiyats very much less expensively than the zamindars. From the other point of view it has to be considered that the zamindars have made large contributions to charity: they have provided a great part of the money spent on education (particularly by way of waqfs) and on medical facilities in towns and in the country, they contribute liberally to appeals for charitable purposes. If Government deducted from the sums on which the calculation of compensation was based all amounts expended on furthering the common good it would be morally bound to expend (as it presumably would) any additional revenue obtained on schemes of public utility and would be justified in expropriation only if it were able to establish that its use of the surplus revenue which it would obtain would be more effective for the common good than the use hitherto made of it by the landlords.

It might be considered expedient to abolish the zamindari system even if no substantial increase of revenue resulted. It is probably a fact that cultivators prefer to be under the khas mahal administration because they know that Government has not the same inducement to rack up the rents. The much-maligned certificate procedure is also very much less burdensome and "oppressive" than resort to the Civil Courts which is not only expensive but on the whole harsh on the cultivator tenant.

The economics of any proposal to "buy out" the zamindars would have to be examined in great detail in accordance with such principles as might be laid down. It would be necessary to compensate tenure-holders also but their compensation would presumably come out of the total assessed on the difference between the raiyati assets and the revenue demand. If this difference amounts to Rs. 1 crore, if money is available at 5 per cent., if the sum to be paid is reckoned at twenty years' purchase of the difference, and if loans contracted to make the payment are repayable in equated instalments over a period of fifty years, the amount annually payable by the State on a loan to buy out the zamindars in cash would not be less than about Rs. 90 lakhs. Costs of management could scarcely be less than Rs. 12·5 lakhs and there would be a loss to Government over the first fifty years after which the whole amount would be available. If the rate of interest were 4 per cent. the total charges for equated annual payments would perhaps be Rs. 80 lakhs which might just leave a small margin over the cost of management. A period of 100 years for repayment would

involve annual payments of perhaps Rs. 70 lakhs at 5 per cent. and Rs. 60 lakhs at 4 per cent. In any case, however, provision would have to be made for the possibility that a complete remission of rent might have to be made once every five or six years and the calculation of surplus might be reduced accordingly. Such a transaction would involve considerable expense. It would not be possible to conduct it without carrying out what would be tantamount to a major settlement operation in each district since a very accurate assessment of titles and net income would be necessary and it would be necessary to combine with this a comprehensive re-settlement of rents to make them uniform after the intermediate interests had been bought out and the raiyats brought into direct relations with Government. The transaction would however give no legitimate cause for complaint to those expropriated. But on the one hand it would for a long time yield no effective increase in revenue to the State and on the other hand would allow very little scope for the reduction of raiyati rents where these are inequitably high.

The disappearance of zamindars and intermediate tenure-holders might be hoped to result in making their energies available for the economic development of the province. Some of them would take their place in the enlarged Government service necessary for the management of State lands and collection of the land revenue. The loan would probably be raised wholly or for the most part by way of giving the dispossessed landlords Government paper for the amount of their compensation and during the period of repayment or redemption of the scrip there would be considerable sums annually available for investment in the industrial development of the province. But it is doubtful if "landlordism" would disappear and almost certain that there would spring up a large number of non-cultivating "raiyats" with a series of intermediate tenancies between them and the actual tillers of the soil unless specific measures were taken to prevent the transfer of raiyati and under-raiyati rights to others than cultivators.

The other two proposals suggested in question 13 assume that the zamindar will remain but that his profit from the land is inequitably large. Both would involve considerably increased expenditure on the collection of revenue. On general grounds it would seem to be difficult to claim that the rates of rent are now on the average inequitably high. If the estimate of raiyati assets given in questions 7 and 13 (Rs. 16 crores) is correct, then the average rent per acre for the 35 million acres or more of cultivable land in the province is well under Rs. 5. This can scarcely represent as much as 10 per cent. on the gross yield of the land under present methods of cultivation. A general charge of rack-renting cannot therefore be levied against the landlords as far as raiyati assets are concerned. It would be difficult accordingly to

sustain a general acquisition that the zamindars' profit from the land is excessively high and the scope for a just increase of revenue by these methods is very much restricted if indeed any such increase can be expected without laying unfairly heavy burdens on the landlords. The difficulty suggested in question 58 would almost certainly arise if agricultural incomes were taxed and exemption was allowed to incomes below a certain amount.

Nor could there be much hope that the buying out of the landlords on the abolition of the zamindari system would make it possible to effect any extensive reduction of raiyati rents. It is unlikely that the average could be expected to fall below the figure shown in the last paragraph if the calculations there made are correct.

Q. 29 and 32 to 35. I think that there is tendency to an increase in the number of barga cultivators in some parts of the district. I have noticed it particularly in the northern part of the Brahmanbaria subdivision where crops frequently suffer from flood or the excessive duration of the period when water is standing on the land. Instances are not uncommon where cultivators with very little land in their own right cultivate four to five acres of land on this system.

There is no doubt that the increase in barga cultivation is partly due to the restrictions put on usufractuary mortgages. At the same time it must be remembered that there was a custom prevalent by which a (non-agricultural) mortgage (under a mortgage by conditional sale or a usufructuary mortgage) or purchaser of an agricultural holding would leave the actual cultivator in possession on barga terms. The bargadar therefore is of more than one kind: he may have subsisting an equity of redemption in the land he is tilling or he may have no right whatever in it. There is probably little doubt that the economic depression and the tenancy legislation of 1929 have led to an increase in the sale of tenancies and in the amount of barga cultivation of the second kind (*see* figures shown in answer to question 37).

I do not think that the system is sound. There is a good deal to be said for making it illegal. Generally in this district the bargadar provides his own ploughs and seeds and such manure as he may use, and in some parts a premium is paid in addition to the undertaking to pay half the produce; the premium in some cases reaches a figure which makes it difficult to see how the cultivator can contrive to maintain himself by his labour. The bargadar would be better off as a tenant of some sort or even as a labourer on a fixed wage. I think that it would be preferable to prohibit the system altogether rather than to fix a maximum share of the produce which the lessor can claim. Such a provision would be defeated by the spread of the system of requiring a premium to be paid for barga settlement.

Q. 36. Agricultural labour is almost entirely casual and is very often on the piece-work system in this district. Wages vary enormously and are a matter of supply and demand. During 1938 when the jute crop was standing in unusually deep water as much as eight to ten annas or even a rupee daily was demanded and in some cases half the crop reaped was asked for in the alternative. For light labour (reaping the mustard crop) recent enquiries in parts of the *district* showed various rates being paid between three and four annas. This was in an area hard hit by unfavourable conditions and poor crops. Wages are ordinarily about four to five annas daily and one or even two meals may be given to the worker in addition. Workers on a monthly wage may get Rs. 2 to Rs. 4 monthly as well as their keep. When wages fall to as low as eight to ten pice daily it is taken as an indication that there is distress of hardship sufficient to justify the initiation of test relief works.

The labourer is frequently one who has a small amount of land of his own in addition to his homestead but not sufficient to maintain his family. Compared with an under-raiyat who has a more or less economic holding his position is unsatisfactory and he lacks the equipment and appliances which the bargadar must have in order to cultivate his lands. Demands for labour are seasonal and he has to make what he can during a comparatively short part of the year. He may have to travel comparatively long distances to find work (in Barisal, Mymensingh, Sylhet or Hill Tippera) and is liable to find difficulty in getting the ready cash (*a*) to pay for his fare, and (*b*) to leave with his family for their maintenance during his absence.

If legislation were passed making the barga system illegal it might be necessary to legislate also for minimum agricultural wages.

Q. 37. Figures of sales of occupancy holdings in Tippera from 1929-37 are given below :—

1929	...	...	...	3,292
1930	...	...	...	2,500
1931	...	...	...	6,088
1932	...	...	...	7,687
1933	...	...	...	10,612
1934	...	...	...	13,008
1935	...	...	...	15,846
1936	...	...	...	21,038
1937	...	...	...	18,917

There is no evidence that the average size of holdings has changed and the following explanation offered for the figures above is put forward by the District Registrar. The restrictions on the execution of usufructuary mortgages under the amending Act of 1928 practically

put a stop to the execution of complete usufructuary mortgages. Money could not be got except on mortgages by conditional sale and by out-and-out sale. The increase in 1936 is due to the introduction of the Bengal Agricultural Debtors' Act the provisions of which were known in 1935 and which did not come into operation in many parts of the district till 1937 though it was enacted in 1936. The Act itself is no bar to amicable sale of lands even during the pendency of an application before a Board.

The tendency was for agricultural lands to pass to non-agriculturists under the Act of 1929. The co-sharers' right of pre-emption under the present amended Act should help to put a stop to this tendency.

Q. 39 to 41 and 43. In 1938 at the instance of the Special Officer (Mr. Stuart, I.C.S.) an enquiry was made in the khas mahal in areas selected at random according to the following directions—

Taking all the defaulters in a village or some suitable area, how many are defaulting because—

(*i*) their holding does not supply enough produce for their maintenance and payment of rent;

(*ii*) they do not want to pay rent which they consider should be paid by (*a*) another co-sharer or (*b*) a mortgagee;

(*iii*) they have other more pressing creditors;

(*iv*) they are merely refractory.

Three entire villages and two hamlets in different parts of the district were chosen with the following results:—

Total holdings.	Total defaulters.	Cause of default as shown above.				
		(i)	(ii)		(iii)	(iv)
			(a)	(b)		
49	44	19*	24**	1	..	..
56	55	35†	8	..	12	..
50	32	10	14	2	6	..
32	25	5	12	3	6	..
346	173	46	120	2	5	..
Total 533	330	115	178	8	29	

Notes:—*Holding itself insufficient—15 : crops failed owing to deterioration of land—4.

**Including six for which under-tenants thought liable.

†Due to failure of crops owing to saline water.

The conclusions to be drawn from this enquiry are subject to the following consideration. As regards item (*i*) both holdings too small to maintain the cultivator and also those where there had been failure of crops for temporary reasons or deterioration of the soil would be included. It was assumed that what was wanted was the number of holdings which could not supply sufficient even when yielding bumper crops. The numbers of these in areas chosen were between 20 and 30 per cent. Conclusions from the figures however must be guarded because what was taken as a "holding" was not the total area in a tenant's possession but a separate jama and without further investigation it is not possible to say that some of the defaulters from this cause have not other jamas not in arrears and forming with those in arrears an economic holding.

Many raiyati holdings are undoubtedly uneconomic in the sense either that the cultivator could with his own family and his own stock cultivate more or that he requires more to maintain his family; but probably the majority of cultivators with such holdings have more than one holding or are in possession of other lands as well. The average raiyati holding must be adequate for maintenance since there are about 35 million acres of cultivable land and almost certainly not more than 45 million people directly supported by cultivation and an area of two acres can very adequately maintain three persons.

The inheritance laws tend both to bad cultivation and to the diminution of the area of holdings. It is doubtful whether the consolidation of holdings is in Bengal a problem of immediate urgency. So long as the laws of inheritence remain no amount of consolidation can give any permanent relief.

Q. 80 to 82. One of the main reasons for the poverty of the agriculturist is probably his refusal to work harder in order to surmount it.

There is a considerable area of culturable waste which is of course potential cultivated land. Land under cultivation could be made to yield more if husbandry were not thriftless, wasteful and slovenly. The cultivator puts forth only a fraction of the potential labour which might go to his support. So long as these things can be said no question of "pressure on the land" arises.

I suggest that it is an unfortunate formulation of the question to ask (question 81) what proportion of the population is surplus in respect of the agricultural needs of the country. Presumably the use of mechanical appliances would in theory make it possible for the present outturn from the land to be secured by the employment of a mere fraction of those actually now engaged in cultivation; but it would not be reasonable to say therefore that the majority of the cultivators of the province are "surplus." The problem, I suggest, is

better stated thus-"What part of the population could be maintained by agriculture at a reasonable standard of living if the agricultural resources of the province were most productively utilised with a view to supporting the maximum agricultural population?" To such a question of course no final answer can be given, but I think in Bengal it can be said that the existing population could be maintained at a very greatly improved standard of living if the improvements suggested in question 80 were effected. Two recent instances in this district of the improvement which can be achieved by the use of better seeds alone may be quoted. Cultivators have proved for themselves that not only the yield per acre of departmental seeds is higher but the weight of rice per maund of paddy is also greater. During January 1939 the Deputy Director of Agriculture was told by one cultivating family that they had cleared a debt of Rs. 500 in four years merely by the cultivation of departmental varieties. The area available for cultivation in this district is 1·2 million acres and the population about 3·2 million. Each acre is therefore called upon to support only 2½ persons and there is no reason why this should not be possible at a very reasonable standard of living if the best methods of cultivation and marketing are used. (The proportion of holdings in Denmark which are between 1 and 2 acres in extent is surprisingly large.)

I doubt whether at present any considerable expansion of large scale industry would effect any great relief. Large scale industry can succeed only if it produces the maximum output with the minimum employment and (unless there is adequate food produced within the whole country itself or an adequate demand backed by resources to consume its products) only by securing markets abroad. This involves unrestricted competition and may lead as in Japan to imposing on industrial workers a standard of living which is unsatisfactory. If the development of industry relieves pressure on the land by the creation of an industrial proleteriat on a standard of living no better than that of the agriculturlist at present the remedy would be at least as bad as the disease.

Q. 83 to 87. The first measure for the improvement of agricultural credit is to teach the agriculturist what legitimate credit is and how it can be properly used. The mahajani system of credit is "efficient" but by no means beneficent because the creditor has no inducement to recover his principal as it falls due: so long as there is adequate ultimate security for his loans it pays him (and is least trouble) to leave his money where it is, provided that it yields him a reasonable income. I have no figures on which to base a considered opinion of the alleged drain of money in interest according to the estimate mentioned in question 84. I should regard the estimate with suspicion unless it were very well-established on facts. If so great a drain actually occurs the cure presumably lies in legislation for the control

of usury. The provisions for advancing loans under the Agriculturists' Loans Act furnish an efficient and educative system of rural finance. The recent economic depression proved that the cultivator can get along without loans unless there is a bad harvest or series of harvests and that it is not an inevitable incident of cultivation that he should get short term crop loans. For advancing money for cultivation in conditions where such loans are needed the Act is excellent; it can be used to ensure the use of the money for legitimate purposes; prompt recovery is insisted on and the nature of productive borrowing is thus illustrated; but adequate consideration is shown both by suspending or remitting instalments where circumstances so require and also by choosing the time of year when repayment can be made without inconvenience; whilst the certificate procedure ensures a considerate treatment which the Civil Court Procedure does not make possible. I consider that the more extended use of this Act is preferable to the institution by Government of agricultural banks in each union. These would involve at least the same if not considerably greater expense from the public revenues and would be unlikely to result in any improvement in the efficiency with which the money is distributed and recovered. On the whole Government's advances of agricultural loans have probably been a sound investment.

The one achievement of the co-operative credit societies is that to some extent they have probably reduced the current rates of interest on loans, but they have in fact led in all probability to an increase of indebtedness and they have not the flexibility of the mahajani system. It is doubtful whether they have on the whole benefited the cultivator, if for no other reason than because they have not taught him the proper use of credit or the application of co-operative principles. I doubt if any considerable proportion of the societies have in fact succeeded in wiping out the debts of their members. The defects of the movement have principally sprung from an initial concentration on the credit side of co-operation, from misplaced enthusiasm on the part of organisers who either aimed at paper result or themselves were ignorant of the necessity of introducing credit on the co-operative system only where the theory of productive borrowing and the principles of co-operation were understood, from the facility which the system offers to dishonest panchayats to misapropriate advances intended for the society and from the absence of any means by which the Registrar can enforce his control short of dissolving the society. A promising beginning has already been made in bringing the co-operative agricultural credit movement back to sound principles in the issue of genuine short term crop loans.

Debt Settlement Boards have only begun to touch the fringe of the problem of agricultural indebtedness. In Tippera probably between

one-fifth and one-third of the debts existing have been converted by applications filed and of these a very small proportion have been brought to a final settlement. Apart from the results of malicious propaganda the reasons for which so little advantage has been taken of the Act are suggested below—

First: The creditors as a class are resentful and suspicious. In some parts they have filed a majority of the cases before Boards but the reason for this is that it is the least expensive way of saving limitation, since the cost of filing suits is greater, and those suits if filed will at once be stayed under section 34 of the Act. Creditors do not like the idea of contenting themselves with a *pro rata* distribution of the debtor's surplus income over a period of 20 years at the most and of surrendering substantial portions of claims which could be successfully litigated in the Civil Courts. In many cases, of course, they have no sympathy with the basic object of the Act which is to retain the cultivator in the possession of his lands or restore him to them with a chance of making a fresh start.

Secondly: The debtors are holding back. In many cases they are waiting to see what sort of awards will be given and whether they will really get any advantage from the Boards. They are easily induced to hope that they will get better terms by negotiation with an individual creditor himself and they fear that otherwise they will find that they have no source of credit at all. They will not face the necessity to undergo the undoubted hardships over a considerable period of years which are involved in clearing off the whole burden of their accumulated dues, and often combine a readiness to admit their debts with an obstinate determination not be rid themselves of the burden. Moreover to an extent which is already giving anxiety they are using the Boards as a means of avoiding pressure from their creditors and evading any settlement at all for an indefinite period by taking no further steps when a case has been instituted and all civil action stayed. They have been encouraged to act thus by the leniency which it was necessary to direct Boards to exercise in dismissing cases in order to ensure that they do not lose the benefit of the Act as a result of ignorance either of the proceedings in which they are concerned or of the consequences of dismissal.

Thirdly: The provisions of the Act itself are such that a great part of the burden of debt cannot be effectively touched. It is doubtful whether mortgages by conditional sale and usufructuary mortgages are "debts" within the meaning of the Act, and although they are being treated as such and apparently there is no authoritative ruling on the subject it is possible that the point may be taken up at some time and a decision recorded against the present practice. In any case an award in which land is restored to the possession of the debtor can be

given only (*a*) if the mortgagee agrees or (*b*) if the terms offered to him are no less favourable than those accepted by creditors to whom are owing not less than 40 per cent. of the debtor's total debt. A mortgagee of this kind, therefore, who is the sole creditor or claims more than 40 per cent. of the total debt can in effect render the procedure before the Boards entirely infructuous. Moreover, if possession is not surrendered according to the creditor's agreement or under the terms of a compulsory award there is at present no means by which the debtor can enforce the terms save by the expensive and protracted processes of the Civil Court. In many parts of this district the greater part of the cultivator's debt is on account of mortgages of these kinds.

Fourthly: The appointment of Munsifs as special appellate officers has proved unfortunate and has discredited the Boards. By temperament and training they find it difficult to administer the Act in the "extra-judicial" manner which was intended, and they have consequently been responsible for a number of decisions which are not only against the spirit of the Act but also in contravention of its provisions. Thus orders have been reversed or modified where an appeal is barred by limitation and the Munsif has not considered it part of his duty to go beyond the pleadings but has virtually given an "*ex parte*" judgment in the absence of adequate representation by the opposite party; and Munsifs have actually given "awards" which they have no power to do under the Act. There is no second appeal and no provision by which the Munsif can review his order save on an application by one of the parties; and the time for this is too short (30 days) to be of any use. Although the special appellate officers are under the control and inspection of the District Judge no directions appear to have been issued for the guidance of District Judges in this respect and they are probably averse from exercising any effective control owing to a feeling that this will involve interfering with the Court's exercise of its judicial impartiality and discretion.

Fifthly: The Act, during its passage through the Legislature became (perhaps necessarily) very complicated and technical: but the brunt of applying it falls on honorary Boards whose members' essential qualification is that they should be able to bring contending parties to a conciliatory frame of mind and who neither have the qualities nor can spare the time to ensure that proceedings, at least as intricate as the majority of suits before the stipendiary civil judiciary, conform to the complexities of the law. Not only would this involve virtually their whole-time employment but it would require for their assistance a clerical staff of a very much better type than their present allotment of a single clerk attracted by a monthly wage of Rs. 10 with no prescribed qualifications and no provision for intensive training on appointment. Supervision by Circle Officers and Special Officers, jointly responsible

for an average of 30 to 40 Boards, can in these circumstances be effective only where the members and clerks are particularly shrewd, alert, competent and hardworking.

Improvement depends *first*: upon removal of the defects in the Act and rules; *secondly*: upon more specific guidance for Special Appellate Officers and their adequate control; *thirdly*; upon increasing and improving the clerical staff so that faults of procedure may be reduced and the prompt dispatch of routine work expedited; *fourthly*: upon an increase in the number of officers engaged in inspection and guidance of the Boards; and *fifthly*: in the patient and persistent education of all classes in the benefits which the Act will confer.

Q. 88. Land Mortgage Banks have suffered from a number of disabilities. The cultivators whom they were intended to benefit had not an unrestricted right of transferring their holdings; the landlords' right of pre-emption has now been abolished. The complexity of the co-parcenary system makes it a tiresome, expensive and lengthy process to ascertain whether a prospective borrower has a full and undisputed interest in the whole of the land which is to be mortgaged. A substantial proportion of the borrowers do not play fair with the banks; they conceal debts or the interests of co-sharers; and they have an inadequate appreciation of the importance of prompt repayment. There is some dispute whether the summary procedure of the Certificate Act makes it possible for the banks to realise only an arrear instalment or requires that the whole loan shall be called in and recovered upon one default on pain of losing by waiver the right to recover later sums falling due. The restriction on the total capital which may be invested by any one bank makes it clearly impossible for the bank to be self-supporting until the whole or nearly the whole authorised capital is invested and then possibly only on a margin of interest rates which necessitates charging the cultivator for too much for his loans. Banks have been handicapped by the limitation put by Government upon the financial assistance which it is prepared to render during the early stages of the banks' existence. Such difficulties as can be removed by legislation will be alleviated if the amending Act now before the legislature becomes law, but it is suggested that Government should decide as a matter of principle the rate at which loans must be made available to borrowers and should accept the conclusion which follow as regards the limit of authorised capital and the financial help to be given before a certain proportion of that capital has been productively invested with a view to ensuring that the banks have in fact a change to establish themselves in a self-supporting position. It should be part of Government's debt conciliation policy to encourage the taking over of the conciliated debt by some form of approved credit orginisation on mortgage of the debtor's property and co-operative Land Mortgage Banks are perhaps

the best form of such organisation if conditions are assured by law and by the policy of Government in which they can hope to operate with success.

Oral evidence of Mr. A. E. Porter, I.C.S., Collector of Tippera, 16th February 1939.

In reply to the Chairman the witness said he had no specialised revenue experience—he had been Collector for three or four years—was in charge of the 1931 census and had had somewhat specialised experience in the Co-operative Department. His opinion was that although profit to the State would ultimately result from buying out the landlords, for a very long time (perhaps a century) the greater part of such increase of revenue would necessarily be taken up in making reasonable compensation to them. He agreed that a scheme involving a century or 150 years for its working out would not be likely to commend itself to the politicians of the day. He thought it probable that the landlords and tenure-holders who would be bought out would attempt to secure raiyati rights in land and that legislation would be necessary to prevent a new form of landlordism growing up.

He considered the barga system unsound because it is inequitable that any person should receive as much as half the produce merely because he has a legal title to the land. In Tippera, he knew of no case where the landlord supplies the seed and the cattle. He had even found in one part of the district a custom under which salami is paid for barga settlement: this condition is ultimately due to the competition for land. The purchase of land by non-agriculturists has tended to increase the extent of barga cultivation which is extending. It is a normal practice for a raiyat who loses his land to remain in possession as a bargadar on much harder terms. In many cases no doubt the bargadars conceal a part of the crop and only give about 6 annas of it to their landlords. He agreed that increase of population was bound to reduce the area available *per capita* for the support of the cultivator and thought that as a practical question the first remedy was to increase the produce. At present on the average a raiyati holding (working out to rather more than 2 acres for 3 persons) must be adequate for the support of a tenant and his family. He considered that 2½ acres would be a decent-sized holding which could support an average family. In Tippera, which is a very fertile district, 2½ acres could produce 50 maunds of paddy, and there would certainly be a second crop in the greater part of the holding and sometimes a third crop also. Allowing annually an average of 10 maunds of paddy a head for consumption, this would be sufficient.

He considered that economically speaking it is a mistake to imagine that cultivators normally require loans in order to raise their crops. They live from hand to mouth, however, and if a crop fails they should be given facilities to borrow. He did not think that the restriction of agricultural credit which must continue whilst Debt Settlement Boards are operating was necessarily a bad thing. Even now small loans are being granted in the villages. At the same time it has to be remembered that the tenants have been paying back nothing, and if the agricultural debt of the whole province is Rs. 2 crores the reason why it is not bearing heavily on the people is that for several years they have been paying very little or nothing in liquidation of their debts. In normally good years they can finance cultivation from their own resources and by mutual assistance.

He thought that the cultivators have hardly yet reached the stage at which they can be trusted to work a co-operative system properly. They are ignorant of co-operative principles, and do not distinguish between productive and unproductive borrowing. They have little idea of the proper use of credit generally and have in the past failed to work co-operative societies properly. He agreed that the ideal system would be short term loans to be repaid after each harvest but he doubted if that system would work extensively at the present time. The Co-operative Department labours under the disadvantage of not being able to start from scratch: it has 35 years' mistake behind it. One mistake has been to make no distinction between short and long term loans: another has been that the Department has not been able to insist on regular recovery.

In reply to Sir F. A. Sachse, he said that before the 1931 census the main distinction made amongst those supported by the land was between those who live by rent from land and those who live by cultivating lands for which they pay rent. At the last census a fresh distinction was introduced within this second class between "cultivating owners" and "cultivating tenants". This additional distinction was introduced on orders from the Central Government to whom the Local Government explained the difficulties of applying it to the land system of this province. The principles on which the adaptation was made were adopted after discussion with and on the approval of the Central Government. The instructions to enumerators were framed to ensure that amongst persons who live by actual cultivation of their lands a distinction was made between those (whether tenure-holders or holding on some other title) who had a permanent right (who appear as "cultivating owners" in the returns) and those without such a right (who appear as "tenant cultivators"). No matter what their title those whose main source of income from land is rent appear as "non-cultivating proprietors". Under the

instructions issued all bargadars would be included as tenant cultivators unless their raiyat landlords supplied the seed, cattle, etc. The census figures do not give and cannot be used to give any indication of the number of raiyats and under-raiyats. He could not recall having received any report (except from Burdwan) that the enumerators had recorded bargadars as agricultural labourers in spite of instructions to the contrary. The 1931 census showed increases in the number and percentage of agricultural labourers (1931—29 per cent.; 1921—16 per cent.; and 1911—15 per cent). During the last census, a certain amount of inspection of the work of enumerators was carried out by supervisors and Gazetted Officers who were required to carry out a local check of the enumerators' lists in some proportion of cases. The original records prepared by the enumerators cannot now be checked as they have been destroyed.

The area in which he had found bargadars paying salami is in thana Nabinagar. He had made some enquiries there with Professor R. K. Mukherji: the exact figure paid so far as he remembered was something betwen Rs. 17 to Rs. 20 for one kani (·30 acre), but he was not sure of the figure.

It would be possible to arrange at the 1941 census for the collection of detailed information regarding the number of bargadars who are also raiyats or under-raiyats, and other similar details.

Explaining how restrictions on usufructuary mortgages may lead to an extension of the barga system, he said that a cultivator may not be able to get all the money he wants on a complete usufructuary mortgage for the maximum term allowed by law and may consequently either mortgage his land by conditional sale or else sell it outright. The mortgagee comes into possesion and the raiyat often remains on the land as a bargadar. The provision regarding usufructuary mortgages in the 1929 and 1938 amendments of the Tenancy Acts is thus tending to encourage sale and mortgage by conditional sale. If mortgages by conditional sale are prevented there would be no advantage, as the number of outright sales would increase.

He drew attention to the figures given in his reply to question 37 which show that there has been a great increase in the number of sales during the last few years. He agreed that the economic depression was probably the chief reason for the increase and that the amendments of the Tenancy Act had had relatively a lesser effect.

In reply to Dr. Mukherji, he said that he had assumed in his estimate showing the result of purchase by the State that khas management would not be less expensive than zamindari management. He thought that if the landlords and tenure-holders are bought out, it is likely that the number of non-cultivators will increase because land is always an attraction to investors, and middlemen would tend to

use their compensation to buy raiyati interests. Legislation would be necessary to prevent this happening. If the landlords are bought out, it is not likely that there will at first be a large surplus without an increase of rents. There are two ways of looking at the question: one is that the entire surplus resulting from the purchase of the zamindaris and tenures would go to the State; the other is that the surplus would be used partly in order to reduce rents. He thought that it would prove impossible to do both. If rents are reduced, there would most probably be no increase of revenue. He agreed that rents in Bengal are low and considered that in Tippera any rent below Rs. 5 was certainly a moderate rent.

He suggested that bargadars should either be given some sort of status as tenants or should be paid monthly wages either in cash or in kind and should be on the level of farm labourers in England. He did not think it fair that they should pay half the crop when they bear all the risks and expenses of cultivation. If legislation could be introduced to provide minimum wages, the bargadars would be employed on a fixed and equitable basis. At present they have no incentive to make improvements or even to cultivate the land in such a way as to prevent progressive deterioration. If they were given a tenancy right, he was not in favour of giving them occupancy rights. He was not prepared to give an opinion whether several persons should have occupancy rights in the same land.

He thought that the economics of fixing minimum prices for agricultural produce are complex and that they would require very careful examination before any action could be taken on these lines. He thought that the question of improving the outturn is of far more immediate importance in Bengal which does not even produce enough rice for its own consumption but imports rice. The price of a crop grown for consumption at home is less important than its yield and he considered that the tenants would be much better off with say an 18-anna crop selling at Rs. 1-8 a maund than with an 8-anna crop selling at Rs. 3 a maund. Security of price might even discourage thrifty husbandry.

Government is doing a good deal to improve the yield of agricultural produce, though there is scope for further improvement.

He thought that a holding 2½ acres in size is sufficient to maintain a family of 5 persons in Tippera, and that 2 acres would easily maintain three people.

He was doubtful whether any real benefit would result from providing industrial occupation for a part of the agricultural population, unless the conditions under which industrial labour would live were an improvement on those now prevailing in agricultural areas. He

was in favour of encouraging cottage industries but would not call that industrialisation. Cultivators, he said, remain unemployed for between 6 to 9 months in the year. It is desirable to provide them with employment in their leisure time: the cultivation of additional crops and an extension of weaving might help. In some places in Tippera saris, lungis and dhotis are manufactured at home for the household. A speciality of the district is the mtnufacture of hookas.

In reply to Khan Bahadur Momin, he agreed that the main reason for enacting the Permanent Settlement was to obtain security of the revenue. He doubted however whether "estate improvement" was understood at that time in the sense of the word now-a-days. In theory he thought that there can be no constitutional or moral bar to the abolition of the Permanent Settlement, but compensation would have to be paid. He thought that the cost of khas mahal management is probably more than 8 per cent. in Tippera. In Court of Wards estates, on the average, it is 10 per cent. The khas mahal estates however are mostly at a distance from headquarters in his district and are scattered: if they formed a compact area, the cost of management would be lower. He had got figures worked out in detail which suggested that the cost of khas management of the province would be about 1½ crores annually, i.e., about 10 per cent. In Court of Wards estates, the law costs are heavy when estates are taken over but gradually become less. If the whole province became a khas mahal law costs should be practically nil. He had assumed for making calculations that compensation would have to be paid at 20 times the net profit, i.e., the profit after deducting revenue, cost of management and charitable expenditure. He would deduct charitable expenditure because the landlords could not be expected to include those charges if the State becomes responsible for all social improvements. He was not in a position to say whether 20 times the net profit was likely to be got now-a-days on sale of zamindaris. Revenue and court sales are not an indication of a fair market value because they are forced sales. He had not calculated what profit the State would get if landlords and tenure-holders were compensated at 15 times the net profit. The only justification for expropriating the landlords would be the improved management and improved social services resulting from Government administration. There would almost certainly be a tendency for persons who received compensation to invest in raiyati holdings. Even people who have no interest in land or agriculture, like to buy up lands or garden houses. He thought there is a grave danger that a new system of landlordism would result, unless it were prevented by legislation. He agreed that this might lead to a great demand for land, which would result in an increase in land values and enhanced prices for the cultivator who sold but the concentration of raiyati holdings in the hands of non-cultivators would inevitably increase the rents of

the cultivators in possession. He could not say whether rent could be properly described as "unearned increment" but agreed that enhancements might perhaps be so described unless the landlord has effected improvements which justify them.

He said that the risk of cultivation lies entirely with the bargadar but agreed that if the bargadar were on a cash rent, the risk would be no less and he would also have to pay rent if the crops failed. He maintained however that half of the crop is too high a proportion but thought that if the share payable were restricted to a lower level such a provision would be rendered ineffective by the growth of a system under which salami was realised for barga settlement.

Bargadars he thought should be given the status and rights of tenants if they bear all the risks of cultivation, or if they are labourers they should be given minimum wages.

It would be possible to enforce a legal provision fixing a lower share than half the crop by making it illegal for the landlord to sue for more than the prescribed share of the produce.

In reply to the Maharajadhiraja Bahadur of Burdwan he said that he had only found a custom under which a bargadar paid salami in one part of his district.

Personally he was in favour of buying out the landlords but with certain reservations: he would except landlords who are hereditary title-holders like the Nawab of Murshidabad and the Maharajadhiraja of Burdwan. He thought that on historical and sentimental grounds such zamindars should not be expropriated under any circumstances, but their tenure-holders might be bought out. If that were done it might be possible for Government to take an ijara of the zamindaris: he had not considered the question but thought it worth examining. Under present conditions if Government were to bid at revenue sales and a landlord were to outbid Government, he would come into possession, and legislation of a revolutionary nature would be necessary to keep out middlemen.

So long as the laws of inheritance remain unchanged, fragmentation of holdings cannot be prevented: he thought it improbable that legislation with this object would be successful.

He did not consider that there were objections to giving the benefit of the certificate procedure to selected landlords on the conditions laid down in the rules, e.g., where a record-of-rights is maintained and the relationship between landlord and tenants is cordial. He considered that the certificate procedure is less harsh on the tenants than the Civil Court procedure. A Certificate Officer tempers the wind to the shorn lamb and only executes certificates at a time when the tenant is able to pay.

If the State becomes the sole landlord, waqfs and charitable institutions would have to continue, where there are legal and binding documents. Unless the State took over the liabilities imposed by these documents the expense of meeting them would have to be taken into account in calculating the compensation paid to the landlord.

In reply to Khan Bahadur Muazzamuddin Hosain, he said that the proposition that 80 per cent. of the rent is intercepted by a body of idle middlemen was one which would have to be established on the facts by proof first that this proportion is actually intercepted, and secondly that middlemen are actually an idle class.

He agreed that Government has a primary responsibility to look after the welfare of the people.

He agreed that it is desirable to have legislation in order to prevent land passing into the hands of non-agriculturists, but thought it would be difficult to put restrictions on the area of land in which an individual might get an occupancy right. Any legislation to this end would certainly bring down the value of the land: he thought the implications of such legislation were too wide to give an answer without further consideration.

He explained that the figures in reply to question 39 show the number of holdings in arrears and not the number of tenants who are in debt. The figures do not necessarily show that all the tenants affected are in arrears, because one tenant might have numerous holdings of which one might be in arrears and others not.

If the landlords are abolished it might be desirable to reduce high rents, but if there is simply a reduction of high rents, there will be a reduction of the enhanced revenue expected. A claim that the reduction of high rents would have little effect on the expected increase of revenue must mean that there are very few cases of high rent.

He was not aware that in some districts there is a decreased demand for foreign (outside) labour. He had nothing to add to his reply to Sir Frederic Sachse's questions as regards the increase in the number of agricultural labourers recorded at the census of 1931. He did not agree that there has been a general decrease in the number of people employed in agriculture and doubted whether it is correct to say that land is accumulating in the possession of fewer tenants. He would certainly say that there are not fewer people directly supported by the land.

He was in favour of giving the bargadars some rights and thought that they would be better off as tenants on eksona (one-year) leases.

In Tippera which is a very fertile district, 20 to 25 maunds of paddy per acre is a good normal yield and there is a large proportion

of dofasli land. He estimated that the gross value of the produce might be taken at between Rs. 75 and Rs. 100, say Rs. 80. Rent per acre averages about Rs. 4-2 to Rs. 4-6; it might be taken at Rs. 5. The cost of seeds would be about Re. 1 per crop per acre. Taking Rs. 50 as the cost of a pair of plough cattle, their working life as 7 years and the area they can plough as 2 to 2½ acres (an underestimate) depreciation on this account cannot come per acre to more than Rs. 3 annually. Omitting the cost of replacing agricultural implements (which is annually very small) and providing fertilisers (which should cost practically nothing in the form of green manures and the proper utilisation of waste to form organic manures) the costs of cultivation may be taken at Rs. 10 (rent, Rs. 5; seed, Rs. 2 and stock, Rs. 3). This leaves about Rs. 70 per acre. Each acre of cultivable land is called on to support 2½ persons (including women and children) and these can be maintained on 24 maunds of paddy valued at about Rs. 48.

He thought there would be a great danger in diverting part of the agricultural population to industry and would prefer at first to develop cottage industries.

Loans might be necessary when a single crop fails, or when cattle die and have to be replaced. It would not be necessary to have a permanent fund for this purpose: Collectors could get agricultural loan allotments in the ordinary way. He thought that Government's loans policy might be made more liberal and that loans might be more freely distributed when crops are bad though there should be no relaxation of the conditions for ensuring that loans are given only where recovery can be confidently expected.

He doubted whether it was accurate to say that interest charges on agricultural debts amount to 25 per cent. of the gross produce of the land. The calculation assumes that the average income of a family is Rs. 200 from 4 acres, the average debt Rs. 166 and the average interest paid is 37½ per cent. Apart from the size and yield of holdings and the amount of debt he thought the estimated rate of interest excessive. The Bengal Money Lenders Act fixes the maximum interest on unsecured loans at 25 per cent. but this is the upper limit and not an average and whatever may be the stipulated rate or the legal maximum the sums with which money lenders content themselves are in practice considerably less.

He agreed that the achievement of Debt Settlement Boards is disappointing. There are defects in the Act but he also thought that Government had made a mistake in not recognising at once that the form taken by the Act in passing through the legislature involved very much greater expenditure by Government to make the Act effective. He thought it unreasonable to expect members of Boards

to spend time over petty-fogging details. There are only really three stages at which a full quorum of members should attend: (1) when deciding whether a case is one which they can and should deal with; (2) when the amount of the debt is to be fixed; and (3) when terms of settlement are decided or the case is to be referred for disposal by a special Board if the parties do not agree to the terms proposed. He did not agree however that it would be better to have Government officers, similar to revenue officers, in charge of the proceedings before Debt Settlement Boards. The Act sets aside one of the fundamental principles of law, viz., the sanctity of contract, and it is therefore only right that no effort should be spared to induce parties to come to an amicable agreement among themselves.

In reply to Khan Bahadur Abdul Momin, he said that Debt Settlement Boards could not be said to have thrown credit out of gear. Credit was already disorganized before the Boards were started and they are intended to get it gradually working again.

In reply to the Secretary he said that he would prefer to have a more liberal agricultural loans policy rather than the institution of numbers of agricultural banks. After co-operative principles have been instilled into the people through agricultural loans, it might be possible to build up an organization of agricultural banks on a co-operative basis.

In order to provide short term loans for agricultural purposes, i.e., seed and replacement of cattle, he calculated that for an average thana of 150 square miles it would be necessary for an agricultural bank to have a capital of 2½ lakhs of rupees. This assumed that every cultivator would require to borrow his total requirements on these heads: actually borrowing should not be necessary either every year or on the part of every cultivator in any year.

Corrigendum.

As regards the instance referred to of taking salami from a bargadar, Mr. Porter has subsequently explained that this was not a case of a barga settlement. The practice is known locally as "agrim pattan" and is apparently identical with the eksona leases taken in other parts of Bengal.

Reply by Mr. M. M. Stuart, I.C.S., Collector of Nadia.

I do not think it would be useful on my part to answer the historical questions up to No. 12. It is for the Commission to decide if the Permanent Settlement can be or should be upset. The origin of zamindars is a much debated point and there are bound to be supporters of both points of view. How far the zamindars have developed Bengal as the result of the Permanent Settlement is a more practical question, and no doubt evidence will be forthcoming on this point from the side of the zamindars. From the point of view of this district it may be said that the Permanent Settlement landlords hardly exist to-day, and very little development can be traced to these zamindars. The history of the district is in fact one of retrogression, and the present attitude of the zamindars towards the land is definitely one of rent collection, not of development. This was a large indigo district, and it seems from inquiries in indigo places that in those days some efforts were made to protect the lands from sudden inundation by the indigo planters. Now such measures are occasionally taken by the tenants themselves, but practically nothing is actually organised by the zamindars, and I have never heard of a zamindar taking a leading part in a work of protection or improvement. Practically there is no other manner in which land may be developed on a general scale except by the protection from flood, or its converse the control of flood through decadent areas. Sometimes the Midnapore Zamindary Company has introduced new types of seeds, but I have never heard any other zamindar even doing this.

It does not seem that even by expropriation the country is likely to be benefited. It is rather a mistake to suppose that all the extra rent would then find its way into Government coffers. Practically the whole difference between the rent paid and the land revenue of this district is eaten up by innumerable tenureholders, etc. This may be an extremely wasteful and uneconomic system, but it should be considered that most of the bhadralok of Bengal get some income from their village lands. While the amount individually may be negligible, it seems to be quite inequitable that this source of income should suddenly cease. Even though the zamindars of this district were bought out, the villagers would still be at the mercy of a dozen of patnidars and darpatnidars, etc. (It may incidentally be said that the cultivator of this district is not in over half the cases the raiyat. The raiyat is usually the man who sits on an "ail" and directs people to plant and transplant and cut his crops.) Expropriation therefore appears to be impracticable, but there is no reason why Government should not go in for acquiring estates which are badly run. With the increase of consciousness amongst the tenantry and the steps taken by Government to relieve them of the pressure from landlords, it will be comparatively easy to buy up the estates privately or at land revenue sale. The

latter process is obviously desirable as under-tenures will then automatically be extinguished.

If this principle of *laissez faire* was considered insufficient, no doubt legislation can be introduced to expedite such conversion. It would not seem that very much compensation would need be paid and there would be every justification for paying it in bonds which would bear diminishing interest, and eventually become extinguished. This would give the persons at present dependent on income from land time to adjust themselves to new conditions. It might in fact be worked out on a village basis, and all those who have interest in a village should get an award in terms of annual income for a number of years, and these charges should be realised and paid from the collections. This would serve the period of transition so that the money which has so long been considered rent would still be paid to those with hereditary interest in the village until the present generation has died off. Children unborn would be free from the stigma of receiving rents for services they no longer give.

Q. 19. Having been placed on special duty for five months in connection with the administration of khas mahal, I feel that this question should be answered. The cause of my appointment was the complaints made by the tenants, chiefly in East Bengal, as regards the severity of our administration. Although many tenants openly said that they would prefer to be under private landlords, I believe this not to be true. Whenever I casually passed private landlords' tenants I would inquire if they would like the zamindari to be made into a Government estate, and they invariably said that they would. I quote also the case of a zamindar's agent who after extolling the administration of his zamindari as compared with Government's administration. took me aside and asked if I could find him a post under Government. There is no doubt that prompt payment of employees makes a big difference to the administration of zamindaris, and that strict supervision of collections does in the end benefit the tenants. I am not saying that the khas mahals were perfectly administered and would refer to my report if details are wanted.

Q. 25. There is no doubt that as soon as any one gets any right in land he seems to want to live on that right and get some one else to cultivate the land. Each extension of right under the Tenancy Act has meant further subinfeudation. It would be difficult to protect the real cultivator except by declaring the actual cultivator only to be the raiyat.

Q. 26. I think if real raiyatwari policy was pursued, those subletting their lands should be expropriated. They might also be given some form of diminishing compensation.

Q. 29. I found it extremely difficult to get an accurate idea of the amount of khas mahal land which was under barga or similar system of cultivation. There is no doubt that during the economic depression in private zamindaris much land was purchased khas, and is cultivated very often by the previous tenants on this system. Very often the half share is converted into cash at a low value.

The reasons suggested for the increase of barga cultivation seem to be correct.

Q. 31. A bargadar is normally a landless person.

Q. 32. This will mean expropriation of the raiyat. This would appear to be the most essential step in any suggested reform of the land system of Bengal. I have, however, heard it argued that the barga system is a good one. It means a division of responsibility and risk as regards agriculture. The raiyat provides the seed and such intelligence as is required, whereas the bargadar supplies the manual labour only. I think it is true to say that the bargadar in most districts is of quite a different social standing from the raiyat. As I have said above as soon as any one gets an interest in land he thinks of a manner to live on the income without working.

Q. 33. The only way to stop this is to declare the actual cultivator, and define it by the person actually ploughing and reaping the crops, as the raiyat and to give him all the protection which is deemed necessary in the interest of the cultivator. This will not, however, be politically popular, as these people are on the whole not politically conscious. The influential villager is not usually a cultivator although he may be a raiyat.

Q. 34. It is raiyats themselves rather than landlords who use the system of barga. The amount of land cultivated in khas by zamindars is very little. Some middlemen are, however, employing servants rather than bargadars, and this seems to me a thing not to be checked. People who apply intelligence to agriculture should on the whole be encouraged. The position of a servant is possibly no worse than that of a bargadar, the crop is always better.

Q. 35. The portion paid by bargadars is usually half but in some parts of East Bengal it is 2/3rd. I believe also in very bad lands he only pays 1/3rd in some places. As long as this system is in force it shows that rent is not excessive. If rent can be taken to be usually about one-fifth to one-tenth of the value of the produce, any system by which people cultivate on getting only one-half must show that rent is moderate. Such a system is therefore a useful guide to the real economic state of cultivation. To lay down any limit would interfere with this guide, and would make the question of fixing rent more difficult. However, it would seem an injustice that more than half

the crop should ever be paid in rent. I may also say that the system as regards the division of straw and the supply of seed seems to vary in different districts. It is generally held that the barga cultivation is bad cultivation.

Q. 36. Agricultural labourers in this district are now-a-days paid about Rs. 5 per month. Their position is socially worse than that of bargadars.

It has been held that the 1929 amendment caused considerable areas of raiyati land to pass in the hands of non-agriculturists. The amendment of 1938 has considerably increased this tendency. Restrictions as regards selling raiyati lands are in force in Jalpaiguri and in parts of Barisal. These are strongly objected to but I am sure that they are in the interest of the real cultivators. The more difficult it is for the cultivators to borrow money the better for them. This of course must be supplemented by giving each cultivator sufficient land.

Q. 38. Raiyati holdings are mostly uneconomic, but one cultivator has usually interest in several holdings. The fact that cultivators mostly exist without supplementary sources of income shows that in fact their total holdings are economic. The law of inheritance is of course a stumbling block in this respect, and as I pointed out in my Khas Mahal Report a good landlord like Government should make it its chief object to see that each tenant has sufficient land. In this district particularly many people have several hundred bighas of land but are still quite unable to make both ends meet. The object of landlords is unfortunately not to give each cultivator a decent holding, but to realise rent anyhow, and salami, if possible.

Q. 40. Government might easily consolidate holdings if this was made one of the objects of the khas mahal administration. It would, however, be almost impossible to do this in private zamindaris without interference with private rights.

Q. 42. If it was declared that no one can have raiyati rights in more than, say 30 acres of land, this problem could almost be solved.

Fragmentation in estates and holdings is no doubt also a curse. It is difficult to say how it can be stopped without interference with the hereditary system. Separate collections in villages are without doubt a real oppression on the tenant.

Q. 45-51. I do not feel that it would be useful for me to give views on these questions.

Q. 52. I discussed the question of rent to a certain extent in my Khas Mahal Report. If rent is to be made the shuttlecock of political badminton, it will naturally decrease at every election. It can be argued quite easily that 2 annas an acre is an unfair rent just as that

Rs. 2 is an unfair rent. The excise on alcoholic drinks, for example, is just as unpopular in England when it is a small sum as when it is a large one. Rent has all along been customary, and it should remain such unless there is to be some entirely new method of tax collection. In my Khas Mahal Report I simply recommended that a system should be introduced to see that rents in no place become excessive due to the deterioration of the soil or other similar causes. Some fraction of the produce value should be fixed as a criterion against excessive rent. At the present time it would be reasonable to say that the rent should not exceed one-sixth of the value of the crop. Any system which attempts to work out the net profit after deducting cost is bound to be abused. It is very easy to inflate an estimate of cost.

Q. 53. I discussed this also in my report. In khas mahals rents were fixed according to Settlement instructions, and it rather depended on the year in which settlement was made as to whether rents were high or low. In this district the rents are rather peculiar, the system of utbandi being widely in force. At the time of Settlement utbandi was about 15 per cent. of the total area. It has probably considerably increased during the economic depression. The system may be described very briefly as one of assessment only when the land is cultivated. The rates are very high and each kind of crop is separately assessed. The system is to some extent due to the poorness of the soil but it is difficult to say how far the indigo days are not responsible for this system. Attempts to get the tenants to convert utbandi lands into raiyati have not on the whole been successful. Utbandi rents are as high as Rs. 12 an acre, but normally they are about Rs. 6. This is double of the usual raiyati rents. A description of the evils of the system may be seen on page 77 of the Settlement Report of this district.

Q. 54. The poorer and weaker tenants do pay higher rents as the bigger tenants have inherited the tenancies taken on good terms.

Q. 55. It would be dangerous as I pointed out above to make the rent a matter of legislation.

Q. 56-59. I have no particular views on these questions. If rents are to become at all a matter of legislation the Permanent Settlement cannot stand, and an entirely fresh land system will have to be introduced. To deal with this becomes a matter of political economy and outside the scope of my knowledge.

As pointed out khas mahal rents appear to vary rather due to the date on which settlement or resettlement was made than for any actual difference in the soil. For example, parts of Barisal and Noakhali were assessed during the boom, and rates may now be considered rather high. Rents in Jalpaiguri have always been very low and even although greatly increased at the last Settlement, they have not yet become comparable to those in other districts.

Q. 71. I have made concrete proposals as regards remissions in my Khas Mahal Report. As regards remissions by the zamindars the present rules are futile as no zamindar is going to forego his rent merely because he gets remission of his revenue, usually a very small proportion of the former.

Q. 72. The average yield and cost of cultivation for jute, paddy and sugarcane worked out in this district are as follows:—

	Yield per acre.	Cost of cultivation per acre.
	Mds.	Rs.
Rice—		
Aus ..	9·5	10
Aman ..	10·5	
Jute ..	13	16
Sugarcane "gur"	43	30

Q. 73. I have no historical works of reference with me, but I think it can be discovered that on the whole the fertility of the soil in Bengal has not decreased in the last 100 years. There are places, however, particularly in this district where such deterioration has taken place, and one of the main reasons is that these areas have ceased to be subject to alluvion.

Q. 75. The question of Government expenditure on improvement in khas mahals was discussed by me in my report. There was a tendency to cut down expenditure when income fell. I suggested that there should be a sinking fund so that this tendency could be checked. It is obvious that in bad times more works should be done.

Q. 76. Salami is realised in khas mahals, and the amount varies from 4 times to 10 times the rent according to Government rules. In some cases salami is not realised under the Collector's order. I had heard, but I have not received any confirmation of the fact, that salami used not to be charged in khas mahals. I have dealt with this problem under the heading of Settlement in my report.

Q. 77-80. These are broad questions on which I hesitate to give my views.

Q. 81. I should like to point out that this district tends to show that the lower the population the worse the state of the tenantry. I may say in this connection that I approached several District Officers in East Bengal to send cultivators to take up lands which have gone out of cultivation. The landlords agreed to go without rent for two years. There has been no response. It does not therefore seem that the problem of overpopulation is very acute.

Q. 83. I have made some suggestions as regards rural credit in khas mahals in my report. This is a very difficult subject; and as far

as I know loans taken have never been used for improvements. In this district it took me two years to persuade some one to take a Government loan for an irrigation pump. All the co-operative banks of this district except one are hopelessly involved. Government is the best moneylender as there is still a certain fear of defaulting. If this fear is removed by interference with the present strictness in collection, it is the cultivator who will eventually suffer. It is only in bad years that loans should be given, and they should be realised at the very first opportunity. The co-operative movement has practically ruined the tenantry, at any rate, of this district. They were given money when they were not in actual need and have been sold up as a result. The banks should be closed and more officers should be available for giving loans under the 'Agriculturists' Loans Act. On the other hand this interferes with the normal credit relationship in the villages but there is no doubt that mahajans have on the whole become a burden in the villages and State interference seems to be justifiable. The object however of Government in this respect should be primarily to keep people out of debt and not to supply them with credit.

Q. 84. It is probable that this is not an under-estimate. Until people can be persuaded to live on this year's crop and not on next year's crop, there is no remedy.

Q. 85. The co-operative societies, as stated above, have done nothing to improve the situation. Certain privileged persons have got money from them, but the number is only a small portion of the total agriculturists in the district. Far from wiping out debts, the societies have become another incubus on the tenantry.

Q. 86. Debt Settlement Boards are only recently begun in this district. The idea is obviously a good one, but as everybody's object is to misuse the Act, it hardly seems to be likely to be successful. This is a backward district, and the type of independent unprejudiced person necessary for rendering a Debt Settlement Board successful is almost non-existent. It would have been better in this district to work debt settlement procedure through the Civil Courts.

Q. 89 and 90. I have gone into the question of Civil Court Procedure versus Certificate Procedure at considerable length in my report. Landlords without doubt felt Certificate Procedure a considerable advantage. On the other hand professional zamindars, like the Midnapore Zamindary Company here, never took Certificate Procedure and managed very well without it. Civil Courts can be used, but strict watch has to be kept on law agents, etc. My main point was that rent realisation should aim at realisation of rent and not of turning the tenants out of their lands. Civil Court has practically given up attempting to realise money and some Certificate Officers were adopting the same policy. I most strongly recommend that a better class of bailiff

must be employed whether through Civil Court or Certificate procedure, if any improvement is to be made. Sale should, as has been laid down in the Certificate instructions, be the last resort. On the other hand attempt should be made to realise money before 4 years' rent becomes in arrear.

Q. 91. The revenue laws might well be codified, but the Sale Law Manual is a sufficient guide for everyday work.

Q. 93. So far the amendment of 1938 has had no apparent effect. The loss of income from transfer fees in Chetlangia estate in a rent roll of Rs. 1,87,142 is, for example, Rs. 1,320 only.

Oral evidence of Mr. M. M. Stuart, I.C.S., Collector of Nadia, on the 24th January 1939.

The proceedings commenced with the Chairman asking Dr. R. K. Mukherji to begin the day's questions.

In reply to Dr. Mukherji, Mr. Stuart said that after the enactment of the Permanent Settlement practically all the landlords in India had been sold up. The Nadia Raj owned most of the district at the Permanent Settlement but now has very little property left.

He did not agree that any distinction should be drawn between the descendants of zamindars with whom the Permanent Settlement had been concluded, and those who had acquired estates by purchase after the Permanent Settlement.

There was little evidence to show that the zamindars in Nadia had effected any improvements. He thought the whole zamindari system discouraged improvements inasmuch as the landlords found it very difficult to enhance rents.

He mentioned the case of the indigo planters, who had built embankments to keep out floods. These embankments have never been reconstructed since as long ago as 1880.

But he thought that the landlords as a class could not be called "ungenerous." The Nadia Raj was famous for its niskar gifts to Brahmins—(although that might not be considered an agricultural improvement) and had financed a great number of schools and dispensaries. The Midnapore Zamindary Company had also introduced new types of seeds. There was however ample room for further improvements by zamindars.

He considered that subinfeudation adds to the burden of the tenants. In Nadia five grades of intermediate tenures are commonly found above the raiyats, and in many cases the raiyats do not themselves cultivate.

In reply to the Maharajadhiraja Bahadur of Burdwan, Mr. Stuart agreed that if the zamindars in the past had been in control of the rivers running through their zamindaris they would have had more incentive to effect improvements. If the State became the sole landlord, he was in favour of buying out all intermediate interests. There would be little practical difference if the zamindars were bought out, and the patnidars and other tenureholders were allowed to remain.

He thought that the expansion of cultivation since the Permanent Settlement was due to various causes, the principal of which is the increase of population.

In reply to Dr. R. K. Mukherji, he said that if it was desired to protect the actual cultivator of the soil the definition of raiyat in the Bengal Tenancy Act, would have to be amended. At present it includes persons who cultivate through hired labour.

The majority of bargadars own their own ploughs. Their status varies: often they are only the equivalent of day labourers. He thought that if bargadars were granted occupancy rights they would only capitalise those rights. Every extension of rights has led to further subinfeudation. We should now begin at the other and, i.e., the bottom.

He thought that in the big khas mahal areas of eastern Bengal there was practically no difference between the middle classes and the cultivators, and that they do not stand in need of any advice regarding agricultural improvements.

In reply to the Chairman, he said the question in khas mahal estates was how far Government would advance money for agricultural improvements. He explained that in his answer to question 35 he referred to money rent. The share of produce received from a bargadar was sufficient to cover the raiyat's rent and leave a margin of profit. He considered that the barga system is bad and that bargadars do not take proper care over cultivation.

In reply to Khan Bahadur Muazzamuddin Hosain, he said that if the State imposed income-tax on agricultural incomes the zamindars might not be able to bear it because their profits nowadays are small, and within ten years they might all be sold up for non-payment of revenue.

He did not agree with Khan Bahadur Muazzamuddin Hosain that whoever spent the major portion of the cost of cultivation should be recognised as a tenant.

Asked how he would distinguish between a "servant labourer" and a "cultivator", he explained his object was to suggest that if they wanted to protect the actual cultivator of the soil, they would have to amend the definition of a tenant.

He agreed that a raiyat who lost his holding generally became a bargadar, but added that some of them might have small holding in addition to their barga land. In the khas mahal the bhadralok tenants usually let out their land to bargadars. The barga system is very common in Nadia.

In reply to Khan Bahadur Hashem Ali Khan, he agreed that the great demand for land in some khas mahal areas was responsible for settlements of land not quite fit for cultivation. Extensive cultivation in Bengal was due largely to pressure on the land, but he did not agree that no improvement had been effected by landlords and cited the cases of the Nadia Raj and the Midnapore Zamindary Company.

He thought that Government spends money on improvements partly in order to improve the economic condition of the tenants; and partly in order to secure a return for itself.

Asked if there had been an abnormal enhancement of rent in khas mahals, he referred to his Khas Mahal Report, which contained mention of a number of estates where rent is high, but which is not comprehensive.

He did not think the number of bargadars exceeds that of occupancy raiyats, but he agreed that the bargadars are rapidly increasing in number. In Nadia the number has increased since the district Settlement. Bargadars are definitely the poorer among the villagers, and the vast majority of them have no other source of income and no subsidiary occupation.

He thought that in some cases the zamindars had succeeded in making good by enhancements what they had spent on excavations or other improvements. In other cases he agreed that zamindars had reserved the right of fishery in khals. He thought the khals belonged to the zamindars.

In reply to Khan Bahadur Abdul Momin, he agreed that big patnidars are similar in status to zamindars. Their rights were intermixed and sometimes zamindars took settlement again under their patnidars.

As instances of estates which had effected considerable improvements, he mentioned the cases of Murshidabad and Birnagar.

He agreed that improvements made by the indigo planters were effected primarily in order to protect their indigo crops which was only a natural procedure.

He considered that irrigation is necessary in Nadia, but that it is very difficult to get the people to take the initiative. In one case it took him two years to persuade a man to accept a Government loan to buy a pump.

In reply to Dr. R. K. Mukherji, he said that Government as direct landlord had special obligations in the khas mahals and were justified in spending more money there than in other areas.

Khan Bahadur Abdul Momin asked whether it would not be uneconomical for a bargadar who is given occupancy rights to sublet further, when he is paying half of the produce to his raiyat landlord. Mr. Stuart replied that he was not in favour of half the produce going to the actual cultivator, leaving half for a non-cultivator who did practically nothing; but he thought it difficult to give occupancy rights to the actual cultivators without taking them away from people who already possessed them. It is a bad system to introduce too many intermediaries and he pointed out that in khas mahals Government never recognise bargadars.

He did not think a produce rent fairer than a cash rent. There was no reason why a tenant who did no cultivation at all should receive a share. But the system has this advantage that if the crop is poor, the loss is shared by both partners.

Asked whether it would not be fairer to make the barga share one-third instead of one-half, Mr. Stuart said that the share which the bargadar gets should be half and not one-third, and that the system was a necessary evil. It was not popular and resulted in rack-renting. It might be the normal system in Madras: he had no knowledge on that point.

He did not think there was any criterion for determining what share of the produce would be a fair rent. It would depend on the size of the holding, e.g., if he were given only 1 acre of land, he did not think he could be reasonably expected to pay any rent. His impression was that the actual cultivators are dealt with more hardly by other tenants than by Government or the landlords.

In reply to Dr. R. K. Mukherji, he said it would be a retrogressive step to arrange for the payment of rent in produce instead of in cash.

Explaining his answer to question 37, he said that there was no intention to comment on the Legislature: his reply was based on actual figures obtained from Sub-Registry Offices of Nadia district. According to these, about half the lands sold were passing into the hands of mahajans. Sales in 1938 had increased to the high figure of 1,319, as compared with only 208 in 1937.

Except in certain cases, such as char lands, the khas mahal tenants invariably get occupancy rights and, although their holdings are sold up if they fail to pay rent, they are never ejected.

He had used the term "economic" in his reply to question 38 in the sense that people did not die of starvation.

As a suggestion for checking fragmentation in holdings, he mentioned that in khas mahals khas-purchased holdings are usually settled with neighbouring tenants. This, he thought, partly solved the problem.

As regards the working of co-operative banks, he said that while he did not wish to be understood as condemning the co-operative movement, the banks in Nadia were not working at all satisfactorily,—in fact almost all of them were hopelessly involved. Government is the best, because it is the strictest, moneylender. For that reason Government is unpopular, but its strictness is really in the interests of the debtors themselves.

In reply to the Maharajadhiraja Bahadur of Burdwan, he said that he did not wish to criticise the intentions of the Bengal Agricultural Debtors Act, but it was his experience that Debt Settlement Boards were rather dilatory in their methods of working and the people were not altogether satisfied with the results. He thought that salaried officers like Munsifs might be able to do the work much better, by which he meant, with greater expedition.

He agreed that owing to the vagaries of Debt Settlement Boards and to the suspension of certificate procedure, it had become increasingly difficult for the zamindars to collect their arrear rents. The immediate effect of Debt Settlement Boards had been to stop payment of rent, but he thought it would be possible in course of time to realise the dues fairly regularly. He criticised Certificate and Civil Court procedure on the ground that it tends to sell up the holding instead of helping to realise the rent. The object should not be eviction, but realisation of the arrears.

Asked by Khan Bahadur Abdul Momin to suggest means of restricting transfer of holdings, Mr. Stuart referred to the system in Jalpaiguri and part of Bakarganj. He thought that unless some such procedure was adopted elsewhere, there was a possibility of land passing from the improvident to the provident. But, although 30 acres might be fixed as the maximum allowable to any tenant, it would be difficult in practice to adhere to that limit, as it might lead to benami purchases. Consolidation of holdings would be possible, though not easy, if the whole province became a khas mahal, but it would be impossible in permanently settled areas.

In his opinion fair rent should not exceed one-sixth of the gross value of the produce, but if rents were fixed as a fraction of food crop, their incidence would be high in areas growing only paddy, and comparatively low in areas growing jute and sugarcane. A compromise would have to be made between the two cases.

Asked if he thought that Rs. 3 per acre is a fair rent for India, he said that taking things as they are to-day, he would consider Rs. 3 sufficient, although in utbandi land rents are as high as Rs. 12 per acre.

In his opinion the primary need in the permanently settled areas is to improve the methods of collection. In khas mahals he had recommended that assistant nazirs would be better than peons.

He mentioned that section 148 (K), Bengal Tenancy Act, was rarely used and did not seem to have been noticed by most landlords.

In reply to Khan Bahadur Hashem Ali Khan, he said that the proposal to exempt from rent small and uneconomic holdings was a very broad question. He thought that the size of the holding was more important than the level of rent, but he did not agree altogether that rent should be remitted in the case of such holdings.

He considered it reasonable that enhancements of rent should be stopped on the ground that the economic condition of the raiyats is deteriorating owing to over-population, but he would except cases where enhancements were made as a result of improvements.

The reason why zamindars did not allow remission in years of calamity was that they themselves got very little remission of revenue from Government.

He did not agree that there has been a general deterioration of land in Bengal since the Permanent Settlement. In Nadia, Malaria is responsible for lands being left out of cultivation. He had induced certain landlords to offer land rent free for two years in uncultivated areas, but there had been no response from the people.

He thought that the payment of salami was a handicap to the poorer agriculturists. Collectors have powers to remit salami but it is not always easy to exercise them.

The time was coming when Government might have to come forward and provide agricultural credit, because the mahajans had been scared off. He agreed that the question of scaling down the debts of cultivators had become a pressing problem, but he doubted whether the cultivators would ultimately pay them.

Questioned about the proposal to abolish the Permanent Settlement, he gave his opinion that if the State became the sole landlord, there was a danger that rent would become a question of politics, and if rents were decreased, the surplus income from Land Revenue might disappear in the course of a few years.

He agreed that the value of land would tend to decrease if transfer is restricted.

Memorandum by Mr. S. K. Dey, I.C.S., Additional Collector, Dacca.

The Permanent Settlement.

Commentators on the Permanent Settlement are numerous and a study of the literature on the historical context of that Settlement makes it clear that negative conclusions have been more confidently established than any positive finding regarding the party to whom proprietary rights in the soil belonged at the time. The High Courts have held that neither the State nor the zamindar had absolute ownership in land, while the Minutes of Grant, Shore and Cornwallis as well as the Despatches of the Board of Directors of the East India Company prove that the rights of tenants were obscure and indefinite. It would be historically safe to conclude that none of the contending claimants possessed absolute proprietary rights; only claims of qualified ownership were valid. If paramountcy could be claimed by any one at all, it could be claimed only by the State by reason of the sovereignty it exercises in constitutional law.

Criticisms of the Settlement of 1793 are too well-known to require recapitulation in detail.

The Government of India's own judgment is unfavourable and has been expressed in Curzon's Resolution of 1902. While the zamindars can claim little credit for reclamation of land consequent upon the growth of population, they and the subordinate interests they created have appropriated all the profits arising from the process. A steadily expanding margin of profits has facilitated the successive shifting of management responsibility through a long chain of subordinate interests who intercept the biggest share in the return from land but take no active interest in its use. The tenancy enactments are the best evidence of the betrayal of the tenants' trust by the zamindars.

Although there have been and still are individual exceptions, these criticisms of the zamindars are true of them as a class. These objections do not, however, assail the principle of the Permanent Settlement. Even if the zamindars had fulfilled the best expectations of Cornwallis, that Settlement would still be open to objection on grounds of public policy, because—

(*i*) It denies to the public exchequer any share in the unearned increments in land value, although these constitute the fittest object of taxation.

(*ii*) It results in an inequitable distribution of the tax burden, pressing more heavily on the poorer classes than on the wealthy landowners. The tax system as a whole is regressive as a consequence instead of being progressive.

(*iii*) It discriminates heavily in favour of land in the matter of taxation, thereby attracting a disproportionate volume of capital to land investment to the detriment of industrial development.

Resumption of Zamindari and Tenure Rights by the State.

The repeal of the Permanent Settlement and the introduction of periodic assessments of revenue would be a small measure of reform, purely fiscal in its scope. It would leave the agrarian structure unaltered. The validity of repeal would also be legally questionable. On the other hand, substantial advantages, both social and economic, may be claimed for any measure which eliminates all intermediate interests between the State and the actual cultivator. Such a reform would—

(*i*) make available to the State future increments in land value in their entirety, and not only the fraction of those increments which filters to the zamindar, through periodic assessment of cultivator's holdings;

(*ii*) release a considerable volume of both capital and enterprise, at present unprofitably employed in acquiring landed interests and collecting rentals, for industrial development;

(*iii*) enable the State to directly assume those responsibilities of land improvement which Cornwallis had entrusted to the zamindars and which the latter had been unable or unwilling to discharge;

(*iv*) simplify land tenure;

(*v*) relieve the actual cultivator from the complexities and harassment resulting from the existence of a large number of petty overlords and secure to them the benefits of State management.

There is little doubt that Crown management of estates is more efficient, methodical, intelligible, humane and amenable to public criticism than private management. A minimum percentage of the income is regularly spent on educational, sanitary, communicational and agricultural improvements of the estates. The Collector has a more direct and personal touch with the tenants than most private landlords. There are no abwabs. If there is corruption among the petty officials, it is an exception rather than the rule, and the system of frequent inspections, strict accounting and accessibility of the higher officials makes its practice difficult and dangerous. The only fault found with the khas mahal administration is its relative strictness in rent collections. I am aware of no case in which this strictness degenerated into harshness by refusal of rent remission when it was deserved. Unpunctuality in collections, unbusiness-like methods, out-of-date records

and slovenly outfit may give an appearance of leisurely leniency. But it too often results in sudden spells of great severity when accumulated arrears have to be gathered. The only class of tenants which prefers private management is that which hopes to take advantage of its laxity to avoid payment of dues.

Methods of Resumption.

If resumption of all non-cultivating rights by the State is to be effected without flagrant repudiation of past commitments, the two principal alternative methods would appear to be—

(*i*) Purchase or compulsory acquisition of all non-cultivating interests, including both the zamindar at one end and the sub-letting raiyat or under-raiyat at the other, by issue of annuity bonds. The annuities would represent a determined percentage of the net profits due to each resumed interest. It would not be too wild to suggest that an annuity of half the difference between the *sthit* or assets and the rent or revenue liability, as the case may be, would be acceptable, considering that all collection and management hazards would be saved. Working on the figures given in Statement X of the statistical abstracts compiled by the Commission, this would mean an annual charge of 6·3 crores on the provincial exchequer, against an accession of income of 9·48 crores, calculated at the conservative collection estimate of 75 per cent. of the gross demand. The cost of extra administrative machinery required is unlikely to exceed half a crore annually. I believe the collection costs in the khas mahals range between 3 to 4 per cent. of the demand. A gradual extinction of the annuities by commutation out of the sinking fund to be created will no doubt be undertaken after due consideration of the budgetary position and the market rate of interest from time to time. The annuities must, of course, be assessable to income-tax.

(*ii*) State purchase at Revenue and Certificate sales. This would merely accelerate a process already in operation. It would be a less dramatic method of resumption, more economical to the state, more gradual and hence less unsettling in its repercussions on both the administration and the public. That this would also mean expropriation on harsher terms than the foregoing alternative ought not to be a serious consideration, because proprietors are eliminated on account of their manifest economic incompetence and the privileges enjoyed by them so long and their conduct in the past merit no special tenderness.

This procedure assumes that—

(*a*) the law is modified to allow State bids;

(*b*) there is a stricter application of the Sale laws than is usual now;

(*c*) the Collector exercises his judgment on the limit of a profitable bid in each case and necessary funds are allotted to him. It should not be difficult for him to make this estimate; and on the hypothesis that he does this with reasonable accuracy and that Crown management is more effieient, the khas purchase of an over-bidder's estate can only be a matter of one or two more kists.

The Collector's purchases would be financed out of a fund raised by State borrowing. I refrain from attempting arithmetic estimates for the figures will be too conjectural to be of use; but it will be obvious from purely *a priori* considerations that the transaction will be profitable.

Limitations to the Efficacy of State Landlordism.

The elimination of zamindars, tenureholders and sub-letting raiyats will not, of course, in itself usher in the agrarian millennium. It merely brings the State face to face with the tiller of the soil, who still remains in his fragmentary holding,—groaning under debts, raising poor crops on an under-manured field and securing an inadequate price for them. The establishment of State landlordism is merely the preliminary clearing of the ground. The next step is the assurance of sound tenancy conditions for the actual cultivators. The two principal requirements for this purpose are stability of tenure and security against rack-renting. Tenancy legislation has aimed at both and has failed in both, so far as the actual tillers of the land are concerned.

Stability of Tenure.

The occupancy privileges granted by the Tenancy Act are being increasingly enjoyed by non-cultivating classes. The tendency of raiyati and even under-raiyati interests passing into the hands of middlemen, moneylenders and professional classes is too marked and powerful not to have been noticed by any observer of country life. These classes do not participate in agricultural operations. They either sublet or employ labourers for cultivation; and the same men they had dispossessed are thus introduced to the holdings again, but on an inferior and less secure status and inevitably harsher terms. As a result of this process the actual cultivators, who should be the principal object of State concern, are steadily pushed out of the ambit of State protection and are becoming either landless day labourers or bargadars and adhiars, who are in effect tenants-at-will. Produce-sharing tenancies, e.g., bhag, barga or adhi, are on the increase due to—

(*i*) insolvency of the cultivating raiyat, which leads to the distraint of his land by his creditor;

(*ii*) facility for transfer of protected tenancies, which encourages borrowing on their security and then offers legal recognition to the creditor when he obtains possession of them;

(*iii*) absenteeism of middle class raiyats who merely want some food supply without undertaking any of the risks of cultivation;

(*iv*) rise in the prices of agricultural commodities in the first three decades of the present country, which made produce rent more profitable;

(*v*) reluctance to create encumbrances on the land by a regular sub-lease.

Reform of this state of things must obviously proceed along two lines; firstly, grant of tenancy recognition only to the actual cultivator; secondly, restriction of alienation of the tenancy right by the cultivator once he has been granted it. Alienation must, of course, include subletting.

Khas mahal settlements in Jalpaiguri permit transfer only with the previous permission of the Deputy Commissioner, but the latter has not been able to arrest the tendency of a few Marwari settlers to expropriate the original tenants, because mutation in certain forms of jotes is allowed to anybody already owning property in the district. The scope of transfer must be limited only to the cultivating class.

Restriction to transfer is objected to on the ground that it depresses the value of land for sale or security, but this is no curse among a thriftless class, particularly if the State assumes the responsibility of financing productive loans. The further argument that restriction would prevent the maximum exploitation of land assumes that there is free movement of labour, capital and enterprise from one form of investment to another, which is not true of the conditions in this country. The curious phenomenon of "land-grabbing" one meets here is not indicative of high profits yielded by land, but is often due to the social prestige attaching to possession of landed interests. It is in fact not land-grabbing at all, but title-grabbing; what is sought is not land for its use and enjoyment, but the possession of a legal status.

The Level of Rent.

In theory rent of land in Bengal is controlled by statute and governed by custom; but the exigencies of the economic situation have, as always, found a means of free play and the actual yield from land in the last resort represents the equilibrium of the demand and supply of this factor. In the superior grades of tenure and raiyati contract the rent is fixed by record over long periods according to preconceived notions of equity. The recognition of economic necessities is feeble

and very indirect, such as when some allowance is made for price changes. But although the law ignores the more fundamental factors, which are the progressive shrinkage of supply through extension of cultivation and the rise in demand through increase of population and insistent land-hunger, practice admits them and gives them more or less full play through such phenomena as abwabs, nazarana salami and even cess. These charges are essentially rent or commutation of rent. Abwab is illegal but natural, and if it is discouraged by propaganda, as it is now, it will reappear through an increase of salami. Salami is realised in the case of new settlements in all the three khas mahals of Bakarganj, Chittagong and Jalpaiguri where I have worked except only in the case of waste lands. The rate varies from four to ten times of the rent according to the pressure of demand for land. Salami or its equivalent is the only contrivance through which a natural adjustment of supply to demand is made possible for us.

In the case of the lowest grade of under-raiyat or produce-paying tenant the least rate, uncontrolled by law, is more frankly the competitive rent. This is found exorbitant and unprofitable, as evidenced by chronic default and progressive impoverishment of the tenant, because the existing organisation of agriculture is defective. With an improved organisation, which would imply lower capital charges, larger holdings and more intensive cultivation, the present average under-raiyati rate of Rs. 6 per acre would be well within the capacity of land to bear. We would expect a fall in demand and relinquishment of holdings in the existing circumstances, but this does not happen because inertia, sentiment and lack of alternative employment bind the cultivator to the land in spite of it yielding him little or no profit. *Laissez faire* economics would therefore be ruinous in its application to the market for agricultural land in this country. The State, recognising the need for protection of the cultivator in land competition, stepped in with tenancy laws which have failed in their purpose. The reason is that the problem was tackled at the wrong end. The fundamental need is that of draining off the surplus population from land and rendering the demand for land more elastic and more sensitive to the profit incentive. The next line of attack would be the increase of agricultural yield per unit of cost—the lowering of the supply curve, as we say in economics,—by improvements in cultivation technique and organisation. If action be taken along these two lines the existence of a statutory standard rent level combined with a variable salami would no longer operate as a hardship. It would, in fact, be a sound arrangement provided, of course, that the standard is periodically revised. The object of the periodic revision would be to bring the recorded rent to a level with the true or economic rent by expressing the unrecorded capital payment of salami as an annual charge to be added to the previously recorded rent. Changes in the value of money must also be

allowed for. The rates of rent which vary from district to district at present on account of local differences in the conditions of demand and supply will tend to uniformity as agricultural labour becomes more mobile.

Rent Collection.

It has been always recognised in khas mahals that the normal method of collection is amicable. This, however, presumes that the collecting machinery is well organised and also that there is no widespread refractoriness on the part of the tenants. Of late there were occasions when punitive certificate collection had to be made on a larger scale than usual because both these conditions threatened to fail. But even with the restoration of a normal state, provision for coercive collection must remain to deal with chronic and deliberate default and I cannot conceive of any summary provisions which can be more satisfactory than the existing Public Demands Recovery Act. The Act allows considerable discretion in its application and there are careful instructions to guide the exercise of this discretion. There is no unnecessary hardship when the Act is operated judiciously in the spirit of these instructions. The alternative of a Civil Court action is of advantage neither to tenant nor landlord.

Agricultural Under-employment.

One of the reasons of the low remuneration of agricultural labour is the universal underemployment prevailing in agriculture due to congestion of labour on land. The usual suggestion for its relief is the development of cottage industries. Cottage industries, unfortunately, have a very limited scope, none is thriving in Bengal in spite of private and public subsidies and patriotic and sentimental propaganda. Very few can possibly stand on their own in open competition with factory products except those which are directly subsidiary to agriculture, e.g., fruit growing, dairy farming, etc. The principal outlet for surplus agricultural population must be looked for in the large scale manufacturing industries. The transformation of a considerable section of our cultivators (the debators call them our yeomanry) into an industrial proletariat is regarded with abhorrence by many public men on grounds which are mostly idyllic or romantic. The more substantial objections are and can be met by legislative prescription of minimum welfare standards, while long-run reactions in the nature of political and industrial unrest are only symptomatic of progress and ought not to be matters for regret.

One of the obstacles to the ready absorption of our surplus agricultural population by mills is its alleged unfitness for the type of work required of mill labour. In the Duars of Jalpaiguri district the labour

employed on the tea plantations and in the tea factories is exclusively non-Bengali, while the local rajbansi cultivators, settled outside the plantations, are economically far worse off than the garden coolies. The planters told me that the Bengali was unsuitable and unreliable compared to the force imported from Bihar, Chota Nagpur or Madras. Identical conditions are known to prevail in other large scale industries working in this province. If there are defects in habit and training of our cultivators which give rise to these complaint these cannot be incurable and the State might turn its attention to the problem. At the same time the immigration of mill labour from other provinces might be checked even at the risk of some initial rise in mill costs.

Reform of Agricultural Organisation.

The principal items of a reform programme are well-known. Consolidation of subdivided and fragmented holdings; liquidation of old debts and provision of cheap credit; intensive cultivation on larger farms. A fair rent assessment and sound tenure conditions are part of the same problem and have been already discussed.

Size of the Holding.

The average area of 1·9 acres per raiyati holding and ·64 acres for under-raiyati holdings represent only one aspect of the evil, because even these small total areas are not to be found in one block but express the sum of many individual plots scattered over many fields.

I feel that the evil cannot be tackled except through legislation; on the one hand, modifying the effects of inheritance on agricultural property to arrest future fractionalisation; on the other, compelling, or at least encouraging, consolidation of existing fragments. Legislation of the first variety is said to have been attempted in Germany and Denmark. The Baroda Act of 1920 allows consolidation of holdings when demanded by two-thirds of the cultivators in a village owning not less than half the total land. It is not possible to say if these efforts offer any guide for us, but it is clear that to wait for voluntary or co-operative consolidation would be to wait for ever. I tried amalgamation in Chittagong where we have an unwieldy number of minute 4-anna holdings in the khas mahals, but without any success. One of the practical difficulties in amicable exchange is that plots vary greatly in quality, while amalgamation was disliked in Chittagong because the cultivator's apprehension of losing all his land in case of default was greater when he held only one large holding.

Definition of the minimum size of the economic holding is impossible because this depends on several variable and imponderable factors, e.g., the agricultural practices of a locality, the fertility of the soil and the size of the tenant's family. There is no doubt, however,

that a very large number of holdings is too small to be remunerative and the owners supplement their income by fishing, cart-driving or field labour, either for a cash wage or a share of produce.

For purposes of improved organisation the concept of an optimum holding would perhaps be more useful. The object of reform should be the settling up of farms of such size as would not only just enable the owners to live but would maximise the return per unit of outlay. Determination of the optimum holding is not easier than that of the economic holding; it will vary according to locality and changes in cultivation methods. But consideration of the problem in this light will make it obvious that to extract the most out of land it must be treated on a larger scale than that contemplated by the minimum, marginal farm.

Provision of Credit.

The experience of the Bengal Agricultural Debtors Act has demonstrated that the supply of new credit must be arranged simultaneously with the liquidation of old. The outlay of over 30 lakhs of rupees in agricultural loans and gratuitous relief by Government during the last season staved off what might have developed into a credit famine, but the State will have to permanently step into the branch caused by the disappearance of a large volume of private accommodation as a result of the operation of the Debt Settlement Boards. It may be recognised that co-operative credit will not fill the gap. Co-operative principles, whether applied to credit or non-credit operations, e.g., farming, purchase or sale, have never taken root in this soil, and it is unlikely that these attempts to run economic life on Sunday School precepts will succeed among a peasantry whose improvidence has become temperamental and the standards of mutual trust and integrity among whom are not of a high order. Some form of State-run Crop or Land Mortgage Banks appears to be the only solution.

Intensive Cultivation.

Exhaustion of the soil due to over-cropping and under-manuring has been the cause of frequent complaint. The Department of Agriculture does some propaganda to popularise manures and improved implements but the lack of capital resources and cultivation on a minute scale make the introduction of improved methods unprofitable. There is little doubt that the yield from the land could be considerably increased with greater capital investment in it. We may have reached the extensive margin of cultivation but are nowhere near the intensive margin yet. We have not started exploring it.

Nationalised Agriculture.

It would serve a good purpose to emphasise in conclusion that even the measures of reform indicated above will not fulfil certain expectations which have been raised in the countryside by recent controversies. The achievement of such reforms will no doubt be considerable. They will put the cultivator on his feet and give him a better chance. But they will not make possible for Bengal to dictate the price of jute or control the output of any other crop. They will not even secure the maximum utilisation of land. Land will still be parcelled out among countless small farmers, each putting it to the use that he thinks is likely to secure him the best return for himself. He will be slow to take up scientific cultivation or introduce capital improvements in his holding. He will be reluctant to combine with his competitors to secure better terms for his product.

It would be well to recognise that ambitious projects of rationalisation and scientific exploitation of our land resources cannot be undertaken unless the State take over the ownership and management of the entire agricultural industry and conducts it according to a comprehensive, long term plan with a detailed regimentation of all the productive forces. With State monopoly of cultivation, the price control of jute, or any other crop of which Bengal's share of output is considerable, would come within the range of practical policy. Whether such a monopoly is politically and administratively feasible is a question with which the present analysis has no concern. But the point calls for emphasis as it indicates the necessary conditions for that agricultural millennium to which many are looking forward.

Oral evidence of Mr. S. K. Dey, I.C.S., Additional Collector, Dacca, on 13th February 1939.

In reply to the Chairman, Mr. S. K. Dey explained the meaning of the phrase "an annuity of half the difference between the assets and the rent or revenue liability" in his note. His meaning was that landlords of tenureholders would be willing to sell if they were guaranteed an annual income equal to half the difference between what each of them receives from his under-tenants and pays to his overlord. For example, if a tenureholder is receiving Rs. 100 as rent and paying Rs. 50 to his superior landlord, he will be given an annuity of Rs. 25. His reason for suggesting this was that if the annual value of a resumed interest, i.e., Rs. 50 in the above instance, be capitalised by paying 15 years' purchase, the proposed rate of annuity would be equivalent to an interest return of about 3⅓ per cent. which would be a reasonable remuneration on investment in securities of a comparable class. His figures for the cost of collection

in khas mahals were based on experience in Bakarganj. He could not recollect whether the figures included the salary of Government officers, but the cost of collection might be 8 per cent. as suggested by the Chairman.

Explaining the phrase "the khas purchase of an over bidder's estate can only be a matter of one or two kists", he said that if a bid is made which is higher than the Collector's estimate, it is probable that the bidder would not be able to make a profit from management of the estate and would default in payment of revenue within one or two kists.

Sir F. A. Sachse enquired whether it would not be very difficult for Collectors to prepare such estimates. Mr. Dey suggested that when the arrear lists are put up to the Collector, there might be a column showing the reasonable amount which the Collector might bid. He thought there would not be much difficulty in making such estimates after summary enquiries. Sir F. A. Sachse pointed out that the only details which could be prepared by the office would be derived from the record-of-rights which in some districts is out of date. Mr. Dey contended that the Collectors would be helped in their determination by their knowledge of the general economic conditions prevailing in their districts; but agreed that estimates would in some cases be approximate only.

In reply to the Chairman, he said that the Tenancy Act legislation was designed primarily to give security against eviction and protection against enhancement. Legislation has failed to secure the cultivators against eviction because occupancy rights are passing by sale or mortgage to non-agriculturists. Security against enhancement has not in practice been effected either. The existing steep demand for land results in the emergence of a premium over and above the recorded rent which will be always exacted from an incoming or new tenant in the form of salami. The recorded rent together with this premium amounts to the competitive rent. Even the abolition of landlords' transfer fees by the Amended Act of 1938 has not succeeded in removing this premium. Salami and nazarana cannot be spirited away by statute.

In reply to Mr. B. K. Roy Chowdhury, he said that in 1793 the assessment of revenue was 90 per cent. of the assets, which was very high at the time. The immediate result was that a large number of zamindars were sold up. He maintained that extension of cultivation has been the result of increase of population and economic necessities and is not due to the initiative of the landlords. He could give no opinion on Mr. Mill's statement to the Select Committee in 1831 that there had been extension of cultivation in most provinces where the zamindari system prevailed. It may be that capital was supplied by the landlords but it was not done as an act of philanthropy.

In reply to a quotation from a report of the Commissioner of the Burdwan Division in 1883 stating that there had been a great increase in wealth and prosperity under the Permanent Settlement, he said that it was a matter of opinion. The reason for the increment in land value has been the general advance in material prosperity. The credit cannot be given to any particular class. He would differ from the opinion expressed by the Commissioner of the Burdwan Division. He said that by his statement that the landlords had betrayed the trust imposed on them, he meant that in Regulation I of 1793 it was expressly laid down that the zamindars should behave with good faith and moderation towards their tenants. The very fact that a series of Acts had to be passed to protect the tenants is indirect evidence that the zamindars had betrayed the trust and the State had to step in to protect them.

In reply to a question interposed by the Maharajadhiraja of Burdwan, he agreed that the tenancy legislation codified the law relating to enhancements and put a limit to rack-renting. But if it is assumed that there was rack-renting at that time that would itself be an admission that the zamindars had failed in their trust.

Continuing his replies to Mr. B. K. Roy Chowdhury, he did not agree that the unearned increment goes almost entirely to the tenants, unless by "tenant" is meant the statutory raiyat who is a non-agriculturist. Subinfeudation has resulted in the major part of the profit going upwards through a chain of middlemen. In Bombay where industry is more developed, the revenue from income-tax is half of that from land revenue owing to the system of temporary settlements. In Bengal, the reverse is the case and the receipts from land revenue are half that from income-tax. In Bombay, industry is bearing a smaller share of taxation whereas in Bengal land is bearing the least share. Historically it would be correct to say that the present land system is the result of evolution since the Permanent Settlement, but it was dubious if it could be argued to have grown logically out of the systems of Manu or Todar Mal. In constitutional law, he considered it within the competence of the State as the sovereign power to terminate any contract it may have entered into with the zamindars in the past. It was a question of judicial interpretation, however, and a contrary opinion might be held. Hence the abolition of the Permanent Settlement might be attended with legal difficulties. A proposal for purchase was free from these difficulties because it raised no question of abrogation of existing statutory rights. If compensation were paid by paying the capital value outright in cash, the raising of the huge sum necessary might disturb the money market and jeopardise industrial development. He could not say whether the zamindars would prefer cash payment to annuity bonds for the reason that they would have no faith in a Government which altered the present revenue system. He did not believe so.

In reply to a question from Mr. B. K. Roy Chowdhury as to whether his scheme did not amount to introducing communism, the witness denied that, and contended that the attachment of a label to his argument was no criticism of its logic.

In reply to the Maharajadhiraja Bahadur of Burdwan, he said that he was in the ninth year of service—he had had revenue experience for 6 years and had been Additional Collector, Dacca, since the last Pujahs. He agreed that the Permanent Settlement granted a statutory recognition of the zamindar's proprietorship. Legally, the zamindars have been given the position of proprietors by Regulation I of 1793. He would consider raiyats or under-raiyats who sublet their lands to be non-cultivating interests who should be bought out. He had given the main outlines of his scheme, but further details would certainly have to be worked out. He agreed that in Jalpaiguri it had proved impossible to prevent subletting or transfer to mahajans. The reason was that the rules permit transfer to people who hold other lands in Jalpaiguri district. He would restrict the scope of alienation to cultivators only. He did not agree that there would never be a landless class in Bengal. There would always be people working on the land but not necessarily owning it or possessing any rights in it. If the present tendencies continue, there will be a class of persons who would own no lands: even now there are landless labourers. The result of buying out the landlords and tenureholders will be that there would be a class of tenant owners or krishaks directly under the State. The 1938 Bengal Tenancy Act has abolished transfer fees but that has not removed the premium above the recorded rent: it has merely transferred it from the landlord to the outgoing tenant. The incoming tenant does not get any benefit although he is the actual cultivator who requires the land. He regarded this as an evil and not the object of the reformed law.

Asked whether his proposal did not aim at the extinction of the landed aristocracy of Bengal which was responsible for its material and cultural progress, the witness replied that the dissociation of these interests from the land after due compensation could not be described as extinction and as to whether this particular class was responsible for the material advancement of the province was a matter of opinion. In his personal view the witness considered that material progress had been due to many factors, e.g., improvement of transport and communications, introduction of western education, etc., among which the part played by landlords was only one. The exact weightage to be attached to each one of these many factors was, again, a matter of opinion.

In reply to Khan Bahadur A. Momin, he said that the State as a paramount power could constitutionally take away the rights of any class. The State is legally competent to do so, but whether it would be equitable or not would depend on many factors, one of which was whether the actual cultivating raiyats had any proprietary rights before

the Permanent Settlement. He could not say whether the assumption that tenants had such rights would be in itself a ground for abolishing the Permanent Settlement. He could not say whether the Commission could go beyond the four corners of the statute of 1793 and enquire into the history of the existence of these rights. That was for the Commission to decide.

Those landlords who had spent capital on improvement had done so to earn a return on their capital and so increase their own income. He knew of several cases where improvements had been made by landlords and instanced the Lalgola Raj where the estate had arranged for the supply of drinking water and, he believed, had also provided some irrigation facilities. He could not mention any case where a landlord had been responsible for extending cultivation: probably cultivation had been fully extended before his time.

He believed that the tenancy legislation of 1859 and 1885 was necessary in order to protect the raiyats against encroachments on their rights. The khudkasht raiyats had the rights of building permanent homesteads, digging tanks, etc.

He agreed that the State gets no increment from enhancement of rent in the permanently settled areas.

He considered it fair that rents should be altered in accordance with the level of prices. If prices rise and rent is proportionately increased, the rent is being kept in terms of produce at the same level. But he agreed that increments from enhancement of rent should go to the community at large represented by the State.

He thought that if landlords are given annuity bonds instead of capital compensation they might still capitalise the annuities. Most of the bonds would go to the banks which would expand credit on their basis and finance industries with this capital.

He could not say whether 15 times the net profit would be fair compensation to zamindars but agreed that in many cases the market price of zamindaris is less. If the province became a khas mahal he thought that the proportionate cost of administration and collection would be less to some extent on account of reduced "overhead" charges, and certainly less than that in the Court of Wards.

In reply to Khan Bahadur Muazzamuddin Hossain, he could not say if there was an Indian system of constitutional law as distinguished from the constitutional law introduced on British models. The present constitutional law of the country was that embodied in the Government of India Act. He was not sure what was the ancient constitutional law of India, and whether this had recognised raiyats' rights in the land. His studies persuaded him that the position was obscure.

Constitutionally speaking, the landlords could be removed but whether it would be an equitable measure or not is another matter.

The reason why restriction of transfer had been unsuccessful in Jalpaiguri is that the rules permitted transfer to persons who held other land in the district, although they might not be actual tillers.

He thought that no reforms would, of themselves, succeed in benefiting the tenants unless the pressure of surplus population on the land is relieved. This must be carried out along with other measures. The man who offers the highest salami usually gets settlement. Sometimes he is a non-cultivator and to that extent the practice is undesirable. No improvement can be effected by abolishing the salami or even by restricting transfer. The real difficulty is the demand for land. A Collector settles with the man who offers the best salami. If Collectors have to settle with the poorer tenants who have uneconomic holdings, there would be no economic standard, and the economic condition for settlement would have to be examined. This would not be possible in practice.

As regards the phrase in his written reply, "*the object of the periodic revision would be to bring recorded rent to a level with the true or economic rent*", he explained that he proposed a periodic revision, say, after every 15 years. If there is an increased demand for land in this period, a premium will again appear and consequently rent would increase. He agreed that this might be hard on the tenants, but it could not be avoided so long as the laws of supply and demand operated as now. If rent was to be limited below its economic level and there were more applicants for land than could be provided, the result would be that some applications would have to be rejected. And the rejection would be on arbitrary standards. The surplus population on land must be employed in industries: these will be financed from outside sources or from the proposed annuities which, as he has explained, will probably go largely to the banks.

Co-operative capital would never solve the problem of agricultural credit; he would propose to have an agricultural bank with two branches. One branch would be concerned with land mortgages and would liquidate old debts: the other would be concerned with crop mortgages and would supply current agricultural requirements. He was of opinion that the present system of agricultural loans would not be a satisfactory substitute for agricultural finance on these lines. If agricultural loans are given throughout the province as a matter of regular annual practice, a permanent organisation will be necessary. Even so, it would be a most unsatisfactory way of tackling the problem of agricultural finance.

He said that without large scale collective farming by the State no programme of planned agriculture would be possible.

He agreed with Dr. R. K. Mukherji that the sources of income-tax are the professions, trade and industry, and that income-tax is not derived from agriculture.

He agreed that if Bengal is paying more income-tax absolutely than Bombay, his figures might have been incorrect. But his contention regarding the proportion borne by land revenue to income-tax in the two provinces still remained valid and showed that lower taxation of land in Bengal had encouraged land investment in this province as against industrial investment. It might be true that there was a large middle class which is paying income-tax and is responsible for the prosperity of the country, but they are not paying income-tax on receipts from land though they may be getting an income from land. He contended that by buying out middle class non-cultivators and giving them annuity bonds, Government would be placing them in a better position than they are in now. At present they do nothing to improve agriculture. As an example he said that a lawyer who derives an income from land could not possibly be worse off if he were bought out and received a guaranteed annual income from the district treasury.

He was in favour of restricting alienation and sub-letting and thought that such a measure would tend to confine occupancy rights to actual cultivators. He did not agree that the result would be a decrease in the value of land. There would be an increase in the purchasing power and capital would be released which could be used for industrial development.

He agreed that rent in Bengal is very low possibly the lowest in the world: under his scheme, rent would, however, be enhanceable to its economical level. He was in favour of economic holdings but thought that consolidation cannot be carried out unless the surplus population is removed from the land.

If there is a world depression in agricultural produce prices, the economic position of the cultivators will not be governed only by conditions in this province: low world prices would affect them adversely under any conditions. There can be no relief from lower prices unless the output is restricted by the cultivators themselves; he did not think that compulsory restriction was possible, unless State monopoly of cultivation through collective farming was introduced.

The purchase of zamindaris would stand on the same level with any other investment.

Mr. Dey admitted at the suggestion of Dr. Mukherji that unearned increments in an estate were amortised when the estate was sold; but the new proprietor certainly enjoyed such increment as accrued to the land during his period of proprietorship. He capitalised this increment and walked out with it, if and when he sold out. But the witness

wished to point out that there was no proposal in his scheme for the State appropriating any of the past increments, so that the difficulty of making a distinction between those increments which had been amortised by sale and those which had not did not affect his particular scheme. It might be that during the last 10 years there had been very little increment in land value.

The tiller of the soil is the primary concern of the State but unless the problem was tackled on all its fronts simultaneously without seeking palliatives for suppression of individual symptoms singly, no real improvement in his condition would be possible. The incubus of non-cultivating interests should be removed from the land, better tenure conditions for the actual cultivators should be ensured, and rent should be helped to find its normal economic level by relieving the pressure of labour on land on the one hand and increasing the yield from land on the other. Along with these fundamental reforms, consolidation of farms into large units and better credit facilities should be arranged. If competitive rent showed an upward trend under such charged conditions, it would be welcome sign; because the enhanced rent would be the expression of improved economic conditions under the reformed system. (At this point the Hon'ble the Chief Minister arrived and attended the remaining examination of Mr. S. K. Dey.)

In reply to Sir F. A. Sachse, he further explained his statement that the premium which the landlord used to receive as transfer fees now goes to the transferor or seller. He admitted that a large number of purchasers are mahajans and other non-cultivators and from that point of view it could not be objectionable that the raiyat vendor gets the full value of the sale; but the abolition of transfer fees would not, intrinsically, be of any advantage to the cultivators. He admitted that it might be advantageous from the point of view that a raiyat who sells one or two acres of land to clear off his debts can get the full value. His first objection was that the premium should be available to the State exchequer and not to any particular class, e.g., the landlord or the tenant. His second criticism was that the premium itself was an unhealthy emergence, and unless we tackled the deep-seated disease of which the salami was only one outward symptom, we could not effect any improvement in the tenants' lot. By merely changing the destination of the premium from landlords to tenants we were subsidising an enterprise which was at present uneconomic. He agreed that there is a marked tendency for lands to pass into the hands of the mahajans and non-cultivators. It would not matter whether landlords were paid compensation in cash or in annuity bonds. They might squander the cash, and equally they might capitalise the value of their annuities and spend the money. This might not, however, be possible if bonds were not made saleable. He would prefer annuities because, as he had previously stated, the money might go to the banks and help to finance

industrial development. It might be true that in provinces which are wholly or mostly raiyatwari there has been less industrial development than in Bengal. He could not give any definite opinion, but reiterated his view that prosperity in Bengal is mainly due to the general social and economic development. He agreed that the worst thing the landlords could have done was to allow their tenants to get into 3 or 4 years' arrear of rent during the boom period. It is not desirable for their own sake that tenants should be allowed to fall into arrears.

He thought it would be hard if an entire estate is sold in revenue sale for a single co-sharer's default. He could not say whether Government had gone too far in allowing separate accounts, but was certain that there had been an increase in the number.

As regards Khan Bahadur M. Hosain's suggestion that Khas Mahal Officers should keep lists of tenants with uneconomic holdings, he said his objection was that it would not take us very far, and would not be of much practical advantage. The list would be very long and would be very difficult to carry out such a scheme in practice. At present settlements are made with the people who can best exploit the land.

In reply to Khan Bahadur Hashem Ali Khan, he could not say whether the major portion of the income-tax in Bengal is paid by the European and Marwari communities. Service holders pay income-tax from the income they derive from their profession and not from the income derived from land. He reiterated his view that middle class people, if bought out and given annuity bonds, would be gainers rather than losers. He agreed that Government's financial condition would improve if the paying capacity of the raiyats can be increased, e.g., by a programme of agricultural development. He was of opinion that the tenants cannot afford to pay more taxes at the present time. Extension of cultivation has been mainly due to the pressure on the land.

In reply to the Secretary, he said that he was in favour of giving rights to bargadars. He would not describe such rights as occupancy rights, but bargadars would be recognised as tenants provided they cultivate. If the present land revenue system remains, there would not be difficulty in giving occupancy rights to bargadars, but he was in favour of having no intermediary between the actual cultivator and the State. He was in favour of buying out all non-cultivating interests, but would allow cultivating tenureholders and raiyats to remain as tenants under the State.

Asked whether it would be possible to get information regarding all non-cultivating tenancies without revising the record-of-rights, he said that enquiries would certainly be necessary, which might have to be more or less elaborate in some cases.

Reply by Khan Bahadur Md. Mahmud, Collector of Pabna.

Q. 11. (*i*) Taking "income" to mean "assets," it is perhaps true that about 75 per cent. of it goes to the zamindar. In estate No. 149 of the Pabna collectorate, under partition now, the assets ascertained are Rs. 23,449, and the land revenue payable is Rs. 3,373 or only 14 per cent. of the assets. Adding 10 per cent. as collection expenses, a total of 24 per cent. goes out, and the remaining 76 per cent. are appropriated by the zamindars.

(*ii*) Yes. There is very little subinfeudation in the khas mahals, while in zamindaris Sir Nicholas Beatson Bell's famous tenure-tree has given an instance of sub-infeudation to the fifty-second grade.

(*iii*) Yes; the process was aided by the provisions of the Bengal Tenancy Act.

(*iv*) Yes.

Q. 12 & 13. Cancellation of the Permanent Settlement would certainly increase the income of the State and would enable the latter to spend more money on public utility services.

It may not be possible at once to abolish the zamindari system altogether. The holders of land under a system of temporary settlement would pay much more to the State coffer than before; and, in time, only those exercising direct supervision over their estates will survive; the others will be sold out and their tenants would come directly under the State.

Q. 14 & 15. I would pay compensation to the zamindars at 10 years' purchase of their net rent roll. According to the Land Revenue Administration Report of 1937-38 (page 22) the current demand of land revenue of the permanently settled estates is Rs. 2,14,88,849 or, roughly, Rs. 2,15,00,000. Taking the rent roll to be equal to ten times the land revenue, the total rent roll amounts to Rs. 21,50,00,000. Compensation at 10 years' purchase would thus amount to Rs. 215,00,00,000.

For paying this compensation the State might float a loan at 3 per cent. and formulate a repayment scheme of 20 years. The annual interest charge would be Rs. 6,45,00,000 and annual instalment of 1/20th of the principal would be Rs. 10,75,00,000, making a total annual payment, from the sinking fund, of Rs. 17,20,00,000. (It should be noted, however, that the interest charge will go on diminishing every year.)

The rent roll of the zamindars, i.e., Rs. 21,50,00,000 will become the land revenue income of the State. Deducting the repayment charges mentioned above, the net land revenue income, during the above period of 20 years would be Rs. 4,30,00,000, and the net gain in land revenue would be Rs. 2,15,00,000 (Rs. 4,30,00,000 minus the existing land revenue, viz., Rs. 2,15,00,000). After the loan is repaid the land revenue income would amount to Rs. 21,50,00,000, and the net gain would be Rs. 19,35,00,000.

Q. 16. It will lead to a reduction of the status of the leisured class known as zamindars and will raise the status of the lower middle class and the tenants.

Q. 17. The tenureholders also deserve some compensation, but at a much lower rate. I would not, however, advocate the buying up, in the beginning, of any other grades than the patnidars and the talukdars of the first rank who have existed from the time of the Permanent Settlement. The others may be left alone. The temporary settlement system and the working of the Sunset Law will gradually bring about their extinction.

Q. 18. The best thing would be to have a chain of Circle Officers (on the lines advocated by the District Administration Committee, but on a larger scale), with a Sub-Deputy Collector in charge, who would be both Circle Officer and Khas Mahal Officer. Under this combined system the cost of management would be about 12 per cent.

Q. 19. Yes.

Q. 20. The process of subinfeudation has the inevitable result of rack renting the tenants.

Q. 21 & 22. State purchase of the tenures would reduce the states of the tenureholders; but it would have the indirect good effect of making them turn their attention to industrial and other enterprises.

The homesteads and khas lands of the tenureholders might be assessed to rent at slightly lower rates than the raiyati rate and fresh leases be granted to them. I would not, however, treat the barga lands as khas lands.

Q. 23 & 24. The prevalence of the terms "khudkasht," "mourashi" and "mokarari" in the Moghul revenue system indicates that occupancy right existed before the Permanent Settlement.

According to the code of Manu, the King used to take one-sixth share of the produce from the tenants "প্রজা পালন কারণং" (for protecting the tenants and for carrying on the administration). When a Hindu King granted "debottar" or "brahmottar," or a Muhammadan

Monarch granted "jaigir," of a tract to a certain person, it was never contemplated that he could oust the existing tenants.

I take the word "proprietor" to mean owner of (holder of "property" over) the soil under the sovereign rights of the King.

Q. 25 & 26. The occupancy right should ordinarily vest in the tenant who actually occupies and cultivates the soil. The legislature has already given this right to korfa tenants. I would go one *step* further and give this right to all bargadars who have been cultivating the same land for twelve years or more.

I would revise the definition of "tenure" and say that when a raiyat sublets his entire holding he should be treated as a tenure-holder. And where the raiyat of a holding of 50 bighas or more sublets half or more of his lands he also should be treated as a tenure-holder.

Q. 27. Permanent residents of a village who carry on trades like the potter's and weaver's should, in my opinion, be given permanent right in their holdings.

Q. 28. When agricultural lands are used for non-agricultural purposes, they should be treated as non-agricultural holdings and should be assessed as such.

Q. 29, 30 & 31. Yes. Due to rent sales and money sales. The holdings are mostly purchased by non-cultivators, and the tenants are converted into bargadars without rights.

The ills of the Bengal raiyat are expressible in three L's,—Landlordism, Loans and, the sequel of the two, Litigation. The operation of these processes ultimately reduces the raiyat to a bargadar without rights, or, in other words, a serf.

The majority of bargadars hold some raiyati or under-raiyati lands. But the time is not far off when the majority will be mere bargadars.

Q. 32, 33 & 34. I advocate the extension of the occupancy right to the bargadar (vide answer to questions 25 and 26 *ante*). In any case, no non-cultivator should be allowed to acquire or possess the occupancy right. The cultivating tenants of the village should be given the right of pre-emption against such purchaser. Even when no pre-emption is claimed, the purchaser should be treated as a "tenure-holder" and not as a "raiyat."

Except where the owner's family depends mainly on the barga produce for its sustenance, the barga rent should be commuted to money rent.

Q. 35. The barga rent should ordinarily be half the produce when the seeds required for the whole plot are supplied by the owner.

Q. 37. I am in favour of restricting transfers to agriculturists only. Please see suggestions made against questions 32, 33 and 34.

Q. 39, 40 & 41. My suggestions are—

(*a*) conferment of right of pre-emption on cultivating raiyats of the village;

(*b*) changing the law so as to afford better facilities for exchange of plots.

Q. 42. Please see my answer to questions 25 and 26. A change in the definition of "tenure" would serve the purpose.

Q. 52. Rent rate should be such as the land can bear. It should have reference to the fertility of the soil, the price of the produce and the tenant's ability to pay.

I think the best method of settling fair rent would be to find out the valve of the produce of a bigha of land, to deduct from it the cost of cultivation and then to assess the rent at 25 per cent. of the net valve. The following is given as an illustration:—

Area—1 bigha.

Produce—

	Rs.
(*i*) Paddy—5 maunds at Rs. 2	10
(*ii*) Pulse—3 maunds at 1-10	4-14 or 5
Total ...	15
Deduct 60 per cent. as cost of cultivation	9
Net produce ...	6

25 per cent. of Rs. 6 is Rs. 1-8.

It is my experience that a rental of more than Rs. 1-8 per bigha for average (or medium) land causes hardship to the tenants. The Settlement Officer would perhaps classify lands ordinarily into three classes, viz., Superior (Class I), Medium (Class II) and Inferior (Class III).

Settlement on the above basis would perhaps conduce to the good of both rent payers and rent receivers.

Q. 53. Zamindars and tenureholders in many places have inflated rents to the extent of rack-renting.

Settlement Officers of Government lands have not always stuck to correct principles, and hardships have often been caused. Char Jailkhana in Mymensingh district, Abad Tushkhali in Bakarganj district, Char Kodalia in Faridpur district and Bahir Char and Char Silimpur in Pabna district are cases in point.

Q. 55 & 56. Please see my suggestions against question 52.

Revision of the record-of-rights would be necessary before re-settlement is made.

Q. 57. I would have the position reviewed at intervals of 30 years.

Q. 59 & 60. My suggestions under questions 52 and 57 would cover the question of productivity and, therefore, the result of fluvial action.

Q. 61. This element will automatically come into operation in the calculations suggested under question 52 *ante*.

Q. 62. No.

Q. 67, 68 & 69. Please see my answers to question 53.

Q. 73. Many areas have become decadent owing to the dying out of rivers and streams. Carrying out of small schemes of irrigation or drainage would do immense good to such tracts.

Q. 76. Yes, since 1919. Salami realised is not ear-marked for improvements, but the income from salami is taken into account in calculating the percentage of demand to be devoted to improvements.

Q. 90. It is my considered opinion that the certificate procedure causes less hardship to the tenant than rent suits. The procedure could be improved by instructing the certificate officers to split up large sums of dues into 2 or 3 instalments and to issue distress warrants separately for the instalments after different harvests.

Q. 91. I support the suggestions contained in this question.

Reply by Rai Rebati Mohan Chakraverty Bahadur, Retired Magistrate-Collector.

Q. 1. Yes; practically exhaustive. Left the tenants as they were.

Q. 2. It is, to all intents and purposes, silent about the right and status of the tenants.

Q. 3. Very little. Yes.

Q. 4. Yes, in most cases. In some cases they were actual proprietors.

Q. 5. Both views are correct. It was a pledge, but the tenants were not parties to it; and it has crippled the resources of the country.

Q. 6. (*i*) Mostly to this.

(*ii*) To some extent.

(*iii*) Very little.

Q. 7. (*i*) Very little.

(*ii*) To some extent.

(*iii*) Mostly.

Q. 8 to 10. Whatever might have been the advantages of the Permanent Settlement at the time when it was made, the system has outlived its utility. Circumstances have vastly changed since then. At that time there was no dearth of arable land in the province, but there was rather dearth of tenants. So the zamindars were generous in their treatment towards the tenants; their self-interest prompted it.

But in course of time population increased and cultivation extended. At the same time the price of agricultural produce steadily increased. The tenants could easily pay their dues, and even did not grudge to pay increased rent when demanded by the zamindars. The latter had an easy time of it, as all the above factors contributed to swell up the rent roll of the estates. It was very easy for them to pay the stipulated revenue. It was quite unnecessary to look to the interest of the tenants; they were neglected and harshly treated by zamindars' officers, except in solitary instances when the zamindars happened to live in the midst of the tenants and were their benevolent patrons. But in large zamindaris, situated in distant parts of the province, the tenants were systematically oppressed by ill-paid amlas and there was no redress from the landlords.

As matters, stand, the condition of the country requires a change, and it cannot be delayed. The number of agriculturists has so far increased that they cannot all subsist on land unless improved methods

of cultivation are introduced; and this is not possible to do with the scattered nature of plots of their holdings. It is essentially necessary to make the holdings as compact as practicable by interchange of plots. In some places it is also necessary to shift the tenants where there is too much congestion. In some places it is also necessary to reduce the rent when it happens to be too high. All these improvements presuppose that all lands should be held directly under the State.

It is to be remembered that the country is mainly agricultural and will remain so. Hence on the condition of the tenants depends the condition of others who follow different profession and manufacture in the rural area.

Q. 11. Yes, it is a just criticism.

Q. 12. On all the above grounds. Also on the ground of improvement of (*i*) agriculture, (*ii*) condition of tenants, and (*iii*) country as a whole.

With the crippled resources of the province it is hardly possible to effect any improvement.

Q. 13. I advocate No. (*i*).

No. (*ii*) will be to the interest of neither the landlord nor the tenant.

No. (*iii*) is not at all a good idea.

Q. 14. Yes. Compensation should be given to the landlords; because Permanent Settlement was a pledge. (*See* question 5.) As to the form of compensation please see answer to question 15.

Q. 15. As I have said before, the Permanent Settlement was a kind of pledge, and it has given rise to many vested interests. Hence compensation should be paid to the landlords.

No elaborate enquiries will be necessary. Compensation should be calculated on the basis of existing record-of-rights and settlement papers. All the necessary data are there. They at once show the total rent roll of the estates and the revenue payable. After deducting the collection charge, say at 5 per cent., the net income of the landlord can be easily arrived at. Compensation should then be paid at a number of years' profit, not more than 10 and not less than 6. The larger the estate, the less would be the number of years; for it is a well-known fact that the large estates get proportionately less value in the market.

It may be argued that the compensation I suggest is less than the statutory compensation payable when land is acquired. It is so because this is not ordinary acquisition, but a measure which is an imperative necessity of the province as a whole.

Compensation may be paid by redeemable bonds. When the compensation payable to a landlord is less than one thousand rupees, he may be paid in cash.

Bonds may be redeemable after 10 to 20 years: but a clause may be added to the bonds that, if money is available, they may be redeemed earlier. They may carry interest at 3 per cent.

Q. 16. Not much.

Q. 17. Yes. Yes, surely. Please see answer to question 8.

Q. 18. Some additional machinery would be required in the shape of tahsil circles and officers; but there would be some reduction of the Collectorate staff. In any case the cost will not exceed 5 per cent. of the increased revenue.

Q. 19. I think so. Surely they do; Government spends a large sum every year for improvement of khas mahals which is a thing unknown in private zamindaris.

Q. 20. Yes. Has led to increase of rent and harassment.

Q. 21. I do not anticipate any bad result.

Q. 22. They would retain their homesteads and khas lands as tenants under the State, with occupancy right in them.

Lands under their khas possession as khamar lands cultivated with hired labour. Settlement Records would show that.

Q. 23. Yes; but practically and indirectly the tenants enjoyed such a right earlier. For at that time there was no dearth of land in the country but there was dearth of good hardy tenants. Local traditions ever speak of rivalry among zamindars for tenants. So the tenants were left undisturbed if they paid rent regularly.

Q. 25. I am in favour of maintaining the existing occupancy rights and extending it to under-raiyats.

Q. 26. Please see above.

Q. 27. I think so. Yes.

Q. 28. There is no reason why the statutory right should be taken away. Additional tax may be levied when the land is converted to large profitable industries. But the danger is that such a tax is generally very unfairly imposed by over-zealous officers.

Q. 29. Not to any appreciable extent.

Q. 30. I do not agree with this view.

Q. 31. No certainty. Yes.

Q. 32. Yes; it should be extended to bargadars.

Q. 33. No harm if the bargadar gets a fair share of the produce, often it is to the advantage of both sides; so there is no reason to prevent its extension.

Q. 34. No such fear, if there is a fair division of the produce.

Q. 35. Say ⅓. Ought to be.

Q. 36. Varies in different localities and in different years. In some years they are very hard hit.

Q. 37. No; I do not think so.

No.

No. This will put the tenants to endless difficulty.

Not practicable.

Q. 38. Would vary in different localities, from say 10 to 20 bighas, according to the nature of the soil and crop.

Q. 39. Yes.

Q. 40. Yes, I am of this opinion. In fact this is one of the reasons why the abolition of the Permanent Settlement is advocated. It is only when all lands are held directly under the State that the consolidation and amalgamation of holdings would be possible.

Q. 41. Yes: both ways. Scattered plots should be consolidated by exchange.

Q. 42. It is hardly possible to avoid it; nor is it desirable. For it is in large holdings that it is practicable to introduce improved methods of cultivation.

Q. 43. Not always.

Q. 44. Hardly possible.

Q. 45. It would be unfair to landlords.

Q. 46. As a mater of fact it has turned out to be so. With the increase of population, cultivation was extended. At the same time there was rise in the price of agricultural produce. The tenants were thus solvent and did not grudge the payment of enhanced rates of rent, when the zamindars pressed for it. Owing to the uncertainty of their status, also, they agreed to pay increased rent for fear of being expelled.

Q. 48. I do not believe it.

Q. 49. I do not think so. As I said above the Regulations are practically silent about the tenants.

Q. 50. Does not arise.

Q. 51. I do not think so.

Q. 52. Customary rates adjusted from time to time according to change in the price of staple products of the locality. In course of time customary rate of rent or the prevailing rate comes to the level of fair rate.

The principle of percentage on market value of land is very hard and unjust on the tenants. The valuation of land is a very uncertain and difficult matter and depends on many factors. So inexperienced and over-zealous Revenue Officers are always apt to value it too high and ruin the tenants.

Q. 53. All three factors have contributed to the fixing of the rent. Some difference there is, but not much.

Q. 54. It is probable that there are some such cases as they have not been able to resist the pressure from landlords.

Q. 55. Rents ought to be readjusted when they happen to be too high or too low.

Existing records may be examined from time to time by Revenue Officers to find out cases which require revision.

Q. 56. One-fifth to one-third, according to the locality, nature of the land and the staple crops.

Q. 57. Alterable.

Say 50 years.

Q. 58. No; surely not.

Yes, certainly.

Q. 59. Not very defective.

Q. 60. Not very material. Cases are few.

Q. 61. No.

Q. 62. The principle is difficult to apply in practice.

Q. 64. May be.

Q. 65. Not very defective.

Q. 66. There have been such cases. Mostly due to a belief on the part of Revenue Officers that they would get credit for enhancement.

Q. 67. Popular belief is that, as almost always they result in enhancement.

Q. 69. Obviously it was.

Yes.

Q. 70. Lands are hardly similar in different districts or even in different parts of the same district.

Q. 71. Several conditions have to be fulfilled and Revenue authorities have to be satisfied on many points.

Q. 72. 15 to 20 maunds of jute and rice per acre of average fertility. Sugarcane varies greatly according to the variety of the crop.

Cost of cultivation generally comes up to the value of half the produce.

Q. 73. Yes; for want of proper manuring.

Q. 74. Not much.

Ignorance of the people; want of training.

Q. 79. Its chief defect is that changes are not recorded. When Revenue Officers will be increased, it would be possible to record changes and other details.

Q. 80. All these means ought to be adopted, more or less, as applicable to different localities.

Q. 81. Yes. At least 25 per cent.

Q. 82. (1) Industrial development; (2) shifting to areas where lands are available; and (3) improved methods of cultivation.

Q. 83. Rural Agricultural Banks. No.

Q. 84. I do not agree.

Q. 85. Not much. No. To some extent. A small percentage.

Q. 86. Not much. Machinery is defective. General education is the only means of improvement.

Q. 87. A good suggestion.

Q. 88. Very little.

Q. 89. The defect lies in the working of the Civil Courts.

Q. 90. It is a controversial point.

Q. 91. If the zamindari system is abolished, Revenue Laws will be simplified automatically.

Q. 92. See above.

Q. 93. Tenants and landlords are not likely to gain or lose much for the time being. For due to the low price of agricultural produce, the value of land has gone down very considerably. So there is for the time being a slump in the land market in the villages.

Reply by Mr. S. C. Mitter, B.Sc. (Eng.), London, A.M.I.E. (Ind.), Director of Industries, Bengal.

The Department of Industries is concerned with questions 80 and 82 only and accordingly the replies are detailed below:—

Q. 80. Of the means suggested as being effective in increasing the income of the cultivating raiyats, only (*ii*) and (*iii*) relate to industries.

As to (*ii*), it is an admitted fact that as the raiyats are underemployed for about 3 to 4 months every year while their dependents are underemployed almost throughout the year, a huge wastage of labour which could be utilized in useful occupations takes place. This wastage of human labour can be avoided, if only suitable subsidiary occupations can be organized and are taken up by the people to their benefit. Orcharding, poultry farming, dairy farming, basket making and other cottage industries which can be carried on in the off-seasons of the year, ought to be taken up by the cultivators. There is no denying the fact that the raiyats suffer from poverty and distress largely on account of their ignorance of the natural advantages which are within their easy reach and also of their indolence in the matter of undertaking new endeavours in different directions. The first thing necessary, is, therefore, a good deal of propaganda with a view to educate them about the many ways in which they can augment their income, if only they can evince some enterprise.

As to (*ii*), it is not only the establishment of cottage industries, but also the resuscitation of many of the dead and dying cottage industries in the province that can materially add to the income of the raiyats. From the surveys of the cottage industries, which the staffs of this department have already undertaken, it is revealed that the conditions of the workers in most of the cottage industries such as pottery, brass and bell-metal, conch-shell, cutlery, carpentry, oil pressing, paper making, etc., are very unsatisfactory for various reasons. Either foreign competition, or lack of organization or lack of necessary up-to-date equipments has rendered the condition of these industries deplorable. The situation, therefore, suggests that while new industries will have to be created for the cultivating raiyats to take up, determined efforts should be made to improve the position of these industries which are now in a decadent condition, for the workers in many of these industries carry on agriculture also. This department has already begun to survey the existing position of most of the prominent cottage industries, so that the findings may indicate the lines in which measures may be undertaken for restoring them to new life and vigour.

As to the types of new cottage industries that may suitably be undertaken by the peasants, three considerations should guide the order of their preference:—

(*a*) In the first place, the raiyats should be encouraged to take up those industries, the products of which are required for their normal daily necessities. In this category fall—

(*i*) Handloom industry.

(*ii*) Tobacco.

(*iii*) Salt (for those near sea shores and salty lakes).

(*iv*) Rice husking.

(*v*) Oil pressing, etc.

(*b*) In the second place, those industries should be taken up which may supply products consumable in local markets and *melas* such as—

(*i*) Basket making.

(*ii*) Toys.

(*iii*) Textile art products, such as carpets.

(*iv*) Bees keeping.

(*v*) Cutlery.

(*vi*) Carpentry, etc.

(*c*) Lastly, those industries should be attempted which may turn out half-finished products to be utilized in bigger plants for being fashioned into finished goods. The manufacture of small standardised parts in the homes of cottage workers, for being assembled in a central plant and turned out into finished materials, is quite possible and is in fact carried on extensively in Japan. Toys, locks, ready-made clothes, umbrellas, etc., can be manufactured by this process.

It should be understood that by these suggestions it is not meant that one and the same person should be asked to take up a number of industries. The adoption of any of these industries is ultimately contingent on the capacity, family avocations and other surrounding circumstances of the individual raiyats. Such factors as foreign competition, availability of raw materials and conditions of local markets will also largely determine the choice of the industries to be taken up.

The encouragement and establishment of these industries among the masses would obviously call for the setting up of suitable organization for—

(*a*) marketing.

(*b*) finance, and

(*c*) expert supervision.

Past experience has shown that private initiative in our country is very slow and shy. Unless the Government leads the way by establishing marketing organizations in the shape of Marketing Board and other Sales Organizations partly or wholly subsidised, the marketing of cottage industry products cannot be effected satisfactorily. With regard to finance also the Government may assist the cottage industries. By establishing the Industrial Credit Syndicate the Government have made a beginning, but the scope and utility of this institution requires to be expanded so as to meet the financial requirements for our cottage industries. If by these means and by arranging expert supervision the Government assist the cottage industry workers, a stage will come when private enterprise and capital will be plentifully available for the promotion of cottage industries in the province.

Lastly, I may suggest that apart from the introduction of suitable cottage industries in the countryside, the income of the raiyats may be augmented by the reorganization of agriculture on a planned basis. For, if the raiyats are instructed (*a*) to produce, as far as possible, his foodstuffs and daily requirements, viz., rice from paddy, oil from seeds, tobacco from tobacco leaves, etc., and (*b*) to produce suitable commercial crops such as cotton, oilseeds, jute, wheat, etc., many of which may bring a good price either as articles of trade or as raw materials of industries, they will not only be in a self-sufficient position as regards foodstuffs, but also will earn cash returns.

Q. 82. The pressure of population on agriculture is a recognised fact and it can be alleviated to a large extent by the adoption of measures as detailed in replies to question 80.

But it is not a wholly correct proposition that the only means of relieving the pressure of population is to divert them to large industries. While recognizing the fact that a number of people may find employment in large industries if started in large numbers, I should make it clear that the percentage of people who would be employed in industries if it were possible to start numerous large industries, will be quite inconsiderable in proportion to the vast number of surplus population. From statistics of persons employed in the large industrial establishments, it appears that every year the total number of people so employed on seasonal and perennial basis, hardly exceeds 70,000. If the size and absorbing capacity of these establishments were doubled or even quadrupled—which it is hardly possible to accomplish even in a quarter of a century—the total number of population employable in them would come up to hardly 3 lakhs. So with a population of more than 5 crores, Bengal's chances of solving the problem of the pressure of the population on land do not lie in the way of large scale industrialization alone.

As to the question whether by starting Government-aided factories, it would be possible to relieve the pressure of population on land, my considered opinion is that in the prevailing situation such a proposition has a good deal to commend itself. The general masses of Bengal have yet to shake off their apathy towards industrial ventures. Unless the Government takes the initiative in many directions and demonstrates by actual undertakings that such and such industries can be established and run on a commercial basis, the people are not likely to take up industries however good their prospects may be. It is from this standpoint that I would advocate a policy of assisting the development of a number of well-chosen industries with assured possibilities in the following ways:—

(1) actual undertaking of industrial ventures in certain cases where private initiative is lacking,

(2) purchase of a certain percentage of share,

(3) guaranteeing of dividends to a certain limit,

(4) grant of land at concession rates, and

(5) assuring the purchase of a certain volumes of articles from the preferred industries.

Of the industries in Bengal which may claim the consideration of the Government as being suitable for being undertaken or aided by them the following are the more important ones:—

(*a*) Sugar factories. They will give a large support to the agriculturists growing sugarcane.

(*b*) Small jute spinning mills to supply yarns to those cultivators who will be taught jute weaving for the production of (*i*) gunny bags for internal consumption, e.g., for the transport of agricultural produce; (*ii*) carpets, sataranchis, etc., (*iii*) jute rope to replace coir ropes imported in large quantities every year; and (*iv*) other artistic goods.

(*c*) Small cotton spinning mills to supply yarns at competitive wholesale rates for the development of handloom industry in the rural areas, which may produce such fabrics as are required for consumption by the rural folks. Lungis, coarse towels, etc., may in the case be more economically produced by the rural handloom workers.

(*d*) Pottery, tile-making glazed workers.

(*e*) Rice mills.

The object behind such a policy is to enable the agriculturists to augment their incomes. The Government should come forward to assist those industries particularly which have a direct bearing on agriculture. Thus sugar factories, cotton mills, rice mills and jute spinning factories are expected to materially assist the agriculturists.

Conclusion.—These and other allied problems have been discussed at length in my books "A Recovery Plan of Bengal" and "Five Year Plan for Industrial Development of Bengal".

The fundamental problem is that without the introduction of industries, agricultural prosperity cannot be ensured. The problem of Bengal is essentially a problem of its rural areas and this problem of rural Bengal is a problem of—

(*a*) reorganisation of agriculture as indicated in the reply to question 80;

(*b*) improvement in the holding capacity of the raiyats;

(*c*) employment of the huge man-power that runs into lamentable waste;

(*d*) utilization of the abundant raw materials and mineral resources in the country;

(*e*) creation of suitable marketing organization for agricultural and industrial products; and

(*f*) provision of finance through appropriate machineries and organization.

Oral Evidence of Mr. S. C. Mitter, Director of Industries, Bengal, on 20th January and 21st February 1939.

In reply to the Chairman, Mr. S. C. Mitter agreed that the cultivators in Bengal are unemployed during some part of the year and that it is desirable to find means for their full employment. The present Government considered it important and had appointed an Industrial Survey Committee. In the past some progress had been made through demonstration parties but progress had been hampered by lack of money and marketing facilities. Some cottage industries are holding their own; others are declining. They can only be revived through proper organization and the provision of marketing facilities and financial help. There is still as much technical skill in villages as there used to be. Some cottage industries have been killed by the introduction of machine-made goods. In reviving cottage industries or establishing new ones, it is necessary to move with the changing needs and fashions.

There are possibilities in the development of poultry farming. The absence of poultry farming at present is due largely to ignorance. The villagers will have to be educated in this and other subsidiary occupations.

2. Asked about the possibility of improving orchards, he said that Kalimpong is capable of producing orchards which would be the equal

of any in India. At present there is a lack of organization and the high freights to Calcutta are an obstacle.

As regards the cultivation of vegetables, he mentioned that the Department (Industries) has a number of agricultural farms 30 to 35 miles from Calcutta. The produce could be sold at Habra market (20 miles on the Khulna line) but the farms are handicapped by high transportation costs owing to lack of communications.

The Department has 28 peripatetic weaving schools, and 9 district weaving schools situated at the headquarters of some districts. The Weaving Department suffers from shortage of funds. If there were more money, a better type of loom could be supplied. Many looms are now made by village carpenters. He considered that the weaving instruction carried out on Sir Daniel Hamilton's estate is on the right lines. As an instance of possible cottage industries, he mentioned that better class lungis are almost entirely imported from Burma. With proper organization, they could be manufactured locally. The Weaving Department has 39 schools and 10 weaving demonstration parties. There ar 49 instructors and 49 assistant instructors. The number, he said, was quite inadequate to the needs of the province. Something like one thousand demonstration parties would be necessary to introduce weaving all over the province within a few years.

3. Questioned about the possibilities of providing employment from tobacco rolling, Mr. Mitter mentioned that 99 per cent. of the best tobacco produced in Rangpur district is exported to Burma and comes back to India after being manufactured into cheroots. There are no factories in the same scale in Bengal. A large quantity of cigars is imported from Madras, Trichinopoly, etc., to Calcutta. There is no reason why cheroots should not be manufactured in Bengal.

4. In 1931, the Indian Tariff Board recommended that the indigenous salt industry should be encouraged. One expert was deputed from the Excise Department to examine the possibility of developing the salt industry in Bengal. After receiving his report, Government decided to start a salt demonstration factory. Between July and December 1938, the price of salt fell from Rs. 56 to Rs. 28 per 100 maunds. This was due to large imports from Italy and Egypt. The Government of India had imposed an additional duty on salt but in December 1938 it mistakenly withdrew this duty, while the Burma Government increased its salt duty.

5. There is a large number of oil mills in Bengal with a capital of nearly one crore of rupees. Mustard seed used to be imported from Etawah and Agra. The railway rate was ·16 pie per maund of mustard seed and ·25 pie for mustard oil. As three maunds of mustard seed

produce one maund of oil, it was obviously cheaper to export mustard oil instead of seed. The Agricultural Department has been experimenting with seed for mustard oil and it is expected that from the next cold weather sufficient seed will be available for the mills. If seeds can be made available, the question of establishing small oil mills in villages can be taken up.

For basket making, there is no organized centre now but the Department is trying to divert part of the money available to technical schools. The industry will have to be built up anew.

There are great possibilities for manufacture of carpets and satranchis from coir in all districts where cocoanut trees grow abundantly. This is especially so in Barisal where it might be possible to arrange for the export of coir.

As regards the possibilities of bee-keeping, Mr. Mitter said that nothing had been done. A man who had been thoroughly trained in Madras had applied to the Department for financial support, but it could not be given owing to rules under the State Aid to Industries Act that the capital advanced must be secured by a property worth double that amount.

As regards carpentry and manufacture of cutlery he thought that there were considerable possibilities. The manufacture of agricultural implements was specially important. In connection with the organization of cottage industries, he mentioned that in Japan there is a Central Depôt which gets in touch with village industries, gives advice to them and markets the finished articles. The same system was introduced in the detenu training camps for detenus. It gets in touch with the business world and finds out what the market requires. Articles produced in the camps are sent to the Central Depôt for sale and are returned to the camps if they are not up to the required standard.

There is only one Marketing Officer for the whole of Bengal. In addition to this work, he has to do publicity work and arrange for about one hundred exhibitions a year. The system is unsatisfactory. The marketing work is separate from the Agricultural Department's marketing staff.

Questioned about industrial credit, he said that several schemes had been considered. There was a scheme for an Investment Trust by the Hon'ble Mr. Nalini Ranjan Sarker; also a scheme for establishing industrial banks. Both of these were rejected by the previous Government. Then a scheme was undertaken with a paid-up capital of 10 lakhs whereby Government undertook to pay up half of the loss, if any.

On being asked whether the pressure on land could be eased by diverting a part of the agricultural population to big industry, he said that such a proposal would not go far to solve the difficulty. The only solution was to develop the small industries. Regarding the financing of industrial operations, he thought that the objection to the establishment of industrial undertakings in Bengal is mainly due to ignorance and overcautiousness. It is difficult to say whether money invested in land could be diverted to industrial development. His original proposal to Government was that it should allow long term deposits for a period of not less than 2 years. He thought that this system would be attractive and shares would have a ready sale.

Asked whether any capital is still lying idle for investment in Bengal, as in England, he said that there was no analogy between the two countries, because conditions were different. In Bengal resources had not been tapped to the fullest extent as in England. He thought however that there was no difficulty in getting capital for commercial enterprises and mentioned as an instance the Iron and Steel Works of Martin and Company.

The greater part of Bengal's sugar is imported. When the jute restriction propaganda was carried out, the cultivation of sugarcane was increased but there were not sufficient mills in rural areas to crush the cane. There is no reason why sugar mills should not be successful. Asked why commercial interests are not developing the sugar industry, Mr. Mitter said that he divided commercial interests into three groups: (*i*) European, (*ii*) Non-Bengalee and (*iii*) Bengalee. Of these, only the second is trying to develop the sugar industry. The Bengali commercial interests are overcautious and have very little desire to invest except in safe concerns. Government, he said, must take the initiative. He instanced that in Belghuria, Government has established a pottery works which is working successfully and employs 700 men including ex-detenus.

Jute spinning mills would be dependent entirely on the supply of jute yarn unlike cotton spinning for which yarn can be imported. Arrangements would therefore be necessary for the manufacture of jute yarn in villages and this would be supplied to the weavers.

As regards the general agricultural situation, he thought that the purchasing power of the agriculturists has fallen to a considerable extent.

In reply to the Maharajadhiraja Bahadur of Burdwan, he agreed that in western Bengal where the population is predominantly Hindu, poultry farming would not be successful unless villagers are taught scientific method and unless adequate marketing facilities are provided.

Asked whether cultivators would give up arable lands for some industry or other purposes, he said that there are no reliable statistics to show the extent of cottage industries in rural areas. The Department of Industries through its Intelligence Section is carrying out industrial surveys of different districts and the Industrial Survey Committee is now going into the question. He would ask that Committee, of which he is a member, to supply this information.

He agreed that tobacco would not grow everywhere. His department was not concerned with the question of soil but he referred to the maps contained in his book "Recovery Plan of Bengal" which indicate roughly the areas in various districts where different crops are grown.

He considered the incidence of the salt duty negligible.

Questioned about the cost of husking rice, he said that originally husking was done by dhenki. This required skilled labour and as it became scarcer, machinery was gradually introduced. A simple type of husking machine is the best solution for paddy husking in villages. A sample machine, produced by the Department, is now being tried out.

The number of rice mills is increasing. There are 373 mills in Bengal, of which all but 13 are in the Presidency and Burdwan Divisions. The cost of husking rice by machinery and hand machine is about the same. The competition between the rice mills results in an unfair price being paid to agriculturists.

Asked whether village oil mills would produce pure oil, he said it would depend on Government action to prevent adulteration. He mentioned that a synthetic mustard oil is being sold in the market which has exactly the same appearance as the natural product.

Apart from the fruit-growing area in Kalimpong, no practical steps have been taken to improve fruit production elsewhere.

Asked what has been done to improve the milk supply, he said that there is a milk union run by the Co-operative Society at Bowbazar Street which would be able to supply figures.

Replying to Dr. Mukherji, he said that he would give a detailed programme of his suggestions for providing work through cottage industries in the case of a typical family in Mymensingh consisting of two adults, one child capable of doing half-time work and two younger children.

He thought that it was possible to manufacture matches but pointed out that it was not a practical proposition because it would be impossible for villagers to procure banderoles.

As regards the silk industry, he said that Japan had purchased 14 hundred thousand bales of silk some years ago and had flooded the market in India. This competition had adversely affected Bengal silk. Government must help and give the minimum protection necessary.

He thought that cutlery might be a successful cottage industry.

Asked whether hides could provide employment, he said that he had not mentioned all possibilities in his note but he would submit a statement of all possible industries for a typical family.

For the proper development of industry in Bengal, he would require an annual expenditure of 2 crores of rupees for five years.

He thought that there was a great deal to be said for the development of spinning by charka but he thought that it could not solve the problem. The yarn produced by that method would not be sufficient even for one loom for two days. The only solution would be to have cotton spinning mills in suitable areas. The output of yarn from charkas in one village would not be enough to supply one village loom.

Experiments had been made for the production of oil seeds which were formerly imported from the United Provinces. It would be possible to introduce hand pressing machine.

Tobacco and cotton are crops which can provide employment. There must be close co-operation between industry and agriculture; the latter supplying the needs of the former.

The cost of husking of rice by dhenki and by machinery is approximately the same. The profit resulting from some processes of the machine method is set off by higher overhead charges. Our object should not be to interfere with the rice mills but to increase the outturn of paddy through improved seeds and supplement rice mills with simple machines which can be worked in villages.

In reply to the Secretary, Mr. Mitter said that the Department had now several silk demonstration parties for imparting instruction in silk reeling. The machinery introduced in Malda district was as good as any in India.

The lac industry was also being revived.

Replying to Sir Frederic Sachse, he said that his estimates of two crores annually for five years was only an approximation: what he meant was that the present expenditure was quite inadequate. If the income of the Government could be increased by this amount, it would develop both industry and primary education but he would give preference to industry because the earning capacity should first be increased and that would allow more expenditure on education.

The agitation over the salt tax had now disappeared. The present price of salt is low compared with the Rs. 66 per 100 maunds which was regarded by the Tariff Board as a fair price.

The Board of Economic Enquiry did not prove successful because it had an insufficient staff, inadequate funds and no definite object. The Industrial Survey Committee on the other hand has definite terms of reference and is a small compact body.

He could not say what progress had been made in the scheme for cultivation of bamboos to supply the needs of paper mills. He will enquire about this.

Cigarette paper is not manufactured in India.

He did not agree that the milk supply could be increased without providing marketing facilities. Increased home consumption would involve a change in the villagers' habits.

Japan is now making oil from rice husks. In Bengal it is only used for fuel and fodder.

No officer of the Department has ever been sent to Madras to see what progress has been made for industrial development there.

The manufacture of glass is a question which is now being enquired into by the Government of India.

Government has taken no action on Mr. Swan's report of 1915.

Toy making is a possible cottage industry but it requires the right type of wood, painting and certain processes by machine. He did not agree that the toy industry could be developed by distributing toys and having them imitated. It would be necessary to have demonstration parties.

In reply to the Chairman, he said that the Industrial Survey Committee expects to issue an *ad interim* report regarding the small and cottage industries by the end of July. The report regarding key and heavy industries would not be ready till the end of the year. He had collected certain figures as asked for on the first day of his evidence regarding cotton spinning and after making slight modifications he said he would let the Commission have copies by the end of the week.

In reply to Khan Bahadur M. Hosain, he said that before undertaking a programme to develop orchards in Bengal, a soil survey would be essential. He agreed that there is scope for improving the fruit industry and as regards the development of the poultry industry, he said that cultivators are at present rearing poultry but not on the scale at which the Department aims. In order to develop the industry,

more organisation and more funds would be necessary. There is a huge export market for poultry. The development of the industry would not therefore result in the fall in prices owing to overproduction. There will certainly be an increased income to the agriculturists and though epidemics might occur, that was a normal risk which has to be undertaken. He considered that the development of the poultry industry was quite a feasible proposition.

Another possibility is the development of subsidiary industries based on milk, e.g., ghee, chana, etc. He agreed that the cultivators have not sufficient funds to make this development themselves but will have to be financed.

The question of basket-making is being enquired into by the Industrial Survey Committee. In parts of Bengal, it can be made a lucrative business. At present baskets are largely imported from outside Bengal. Figures have been collected at Howrah and Sealdah Stations to prove this. The Intelligence Staff for this kind of work was only given to the Department last September. Production and distribution have got to be organised simultaneously and finance is essential: propaganda by itself would be ineffective.

Bell-metal cannot compete with aluminium. The survey of the bell-metal industry has been completed and Mr. Mitter said he would forward a monograph on the subject. Bell-metal is still being manufactured to the value of 50 lakhs a year and there is always likely to be a market for the product. The production figures have gone down but the Department is trying to assist the industry and cheapen the price.

Conch-shells are not imported and form a small part of the business.

Umbrellas which are made in Bengal have for the most part bamboo handles. Bamboo frames have not yet been tried. Paper has a special market. Attempts are being made by the Department to produce paper which will compete with the imported hand-made paper. He agreed that it would stimulate local production if Government were to buy locally manufactured articles.

The Department has helped the pottery industry. There are now 2 factories working at Belghuria in which 700 hands are employed. The Department's demonstration parties are so limited in number that they cannot touch the agricultural population. They have only touched a small percentage of non-agriculturists. For the rapid development of cottage industries, it would require at least one crore of rupees a year. The survey of the bell-metal industry has shown that the profit to the manufacturers is very low. The total annual value of their production is Rs. 50 lakhs, out of which they are not getting even

Rs. 75,000. The profits are mainly going to the middlemen owing to defective organization. A weaver should be able to earn 8 to 12 annas a day but actually he only earns 3 annas and the balance goes to the middlemen. The output would depend on the type of loom and the kind of yarn used. Automatic weaving machines give a higher outturn than hand machines. It may be possible to distribute them on a hire-purchase system. The Industrial Survey Committee is now enquiring whether Government should distribute them or subsidise the Companies to do so. The additional cost of an automatic machine is higher than that of a hand machine but it repays the extra expenditure.

Out of 16 crores worth of piecegoods consumed in Bengal, 42 per cent. is manufactured in the province and the balance is imported from other provinces and from abroad. In order to manufacture the balance which is imported, 50 to 60 average-sized mills will be required. Attempts are now being made to grow cotton in Bengal to supply the mills. It is not a question of competition between mills and cotton weavers but rather a question of organization. There are only a few mills like the Bengal Luxmi Cotton Mill which has been in existence for sometime: the remainder are all new mills. Government protection for the weavers is not necessary. If spinning mills are established in rural areas and ready-made yarn is available from central factories, the weavers would be able to compete with the latest type mills. Lakhs of rupees worth of lungis are being imported from Burma, whereas very few lungis are manufactured in Bengal. There is no competition with Burma. Weaving would undoubtedly be a profitable occupation provided proper organization exists and there is a centralised agency for providing yarn and warps. The production of yarn is a much longer and more difficult process than the actual weaving.

The skilled labour for husking paddy by dhenkis is rapidly becoming extinct. Hand-operated machines for paddy husking will be much more profitable although their initial costs may be much higher.

Madras has a large market for half-tanned hides. The possibility of developing this industry is now being examined.

Without getting the necessary satistics it would be difficult to say what proportion of the agricultural population could be employed in different cottage industries.

If it were possible to localise big industries in rural areas, more Bengalis might be employed in them. In the cotton and jute industries which are centralised, more than 90 per cent. of the employees are upcountry-men. There are two reasons for this: their standard of living is lower than that of the Bengalis and the Bengalis are home-loving people who do not generally like to leave their homes for the

industrial area. If industries were started in rural areas, there would be difficulties over transport, e.g., if a jute mill were started in Tangail subdivision, elaborate development would have to be made in transport facilities in order to carry the raw and unfinished materials. Before the depression, Rs. 226 crores worth of agricultural produce was imported into Bengal and 306 crores worth were exported.

Pottery is imported on a large scale although the raw materials exist in the province for local manufacture. He was in favour of raising revenue by imposing a tax on jute gambling in the phatka market. He said that a tax of ·05 per cent. should be imposed on buyers and an equal amount on sellers in this market and he estimated a revenue of 1·25 crores would accrue from this source. He was also in favour of a tax on articles of luxury. He recommended bringing in foreign experts to train young men for industrial enterprise.

He agreed that much could be done to extend sugar manufacture. Bengal needs at least 25 more sugar factories but the policy of production would have to be rationalised. Certainly Bengal could compete with foreign sugar if experts were appointed to supervise the production. He said that his department could use 2 crores of rupees annually now if the money were allotted to him.

In reply to Khan Bahadur A. Momin, he said that rural industries may be divided into two classes—those which occupy whole time and those which occupy part time. Government has started weaving schools at the headquarters of various districts; there are also peripatetic weaving and demonstration parties. The actual results of the work carried out by these parties have been clearly described in the report of the Bengal Board of Economic Enquiry. Of the persons who have taken to weaving as a result of demonstration parties work, 75 per cent. were previously engaged in weaving and took to that occupation again—the other 25 per cent. were new-comers and of them 75 per cent. have actually taken up weaving. The Department is now preparing a list of agriculturists who are not professional weavers but have taken up weaving in spare time.

If the hand-loom industry is organised and used to meet the requirements of the agricultural population, no question arises of competition with mills. Yarn up to a certain quality should be ear-marked for the hand-loom industry. There was a discussion over this in Bombay, but no decision was reached. It would be possible to start a mill for the production of lungis in the Chittagong area but the people lack initiative. Lungis require a special type of yarn. The primary need is to have a number of spinning mills to provide mill-made yarn in order to supply the hand-loom weavers.

Poultry has a great economic value and there is a very great scope for the export of eggs. At present there is practically no export except from Chittagong to Rangoon. The poultry trade is capable of expansion and the only difficulty would be the outbreak of epidemic.

The outturn of sugar in Bengal is very limited and a greater portion of the sugar supply is imported. The Industrial Survey Committee will possibly recommend in its report the areas in which mills should be located, the area of sugarcane-growing lands and such other details. All nation-building departments should co-operate with one another and his own recommendation would be that a Board of three experts should be appointed to co-ordinate the work of these departments.

The present capital of the Industrial Credit Syndicate is 10 lakhs in shares issued, and 5 lakhs paid-up capital. Government have guaranteed half the loss on the paid-up capital. In all cases interest has been paid up to date by persons who have taken loans.

The old system of husking rice has certainly been affected by the rice mills. It is said that rice from the mills is not good for health and deficient in vitamins. It would hardly be possible to abolish rice mills. It is better to follow a policy of decentralization. Rice production is not restricted to internal consumption; it is also exported—particularly the finer quality. Most of the rice mills and the oil mills have affected agriculture.

Owing to lack of proper organization, hand-loom weavers do not get a fair price for their articles. Much of the product is intercepted by middlemen.

He agreed that fishes are of great economic value to the province. Government had recently brought an expert from Madras to investigate the possibilities of fish industry and his report has been submitted to the Industrial Survey Committee.

The industrial side of fruit growing has not yet developed. The question has not previously been seriously considered. A bold policy should be followed but it is also a question of finance.

In reply to Khan Bahadur Hashem Ali, he said that if Government start sugar mills in selected areas of Bengal, it will be profitable to cultivators and solve the problem of unemployment to some extent, but before doing so a soil survey would have to be made. It would certainly be possible to improve the price of guava and lemons in Barisal by providing marketing facilities. The development of the coir industry might also be very profitable in Bakarganj district. Some young men who have been trained in the Industrial schools are sitting idle because they have no capital to start business. This year Rs. 16 lakhs has been allotted to the Department of Industries.

The skilled labour for husking paddy is rapidly disappearing. Although hand-operated machines are more expensive—costing from Rs. 25 to 40—they are a paying proposition as their earning capacity is much more than dhenkis.

In reply to Dr. Mukherji, he disagreed emphatically that the factories at Belghuria are losing concerns. He mentioned that he had made enquiries regarding Joint Stock Companies that have gone into liquidation between 1918 and 1936 and had learnt that the total amount lost to Bengal was 20 crores. Average family requires Rs. 15 per annum to clothe itself. The yarn costs Rs. 9 so that there is a saving of Rs. 6 if the cultivator weaves from yarn supplied to him. His monthly earning is 5 annas. If a woman spins, it would require 35 days to produce enough yarn to feed one loom. Spinning is not a profitable occupation: weaving is far more profitable.

Paddy husking by hand machines can be developed and made profitable. There is no similar machines for pressing. Other possible sources are the manufacture of salt in saline areas, and molasses.

Bell-metal and pottery can be manufactured by families for their own needs. Cutlery is also possible so far as agricultural implements, such as sickles and plough shares, are concerned.

In reply to Sir F. A. Sachse, he said his remark that the Board of Economic Enquiry had ceased to function was based on the fact that for two years it had held no meetings. He agreed that it has recently been constituted but could not say why. The report on the Survey of Hand-loom Industries has been produced but he had been unable to obtain extra copies as it has been restricted to "official use" only.

In United Provinces and Bihar, sugar mills are now giving a fair price to the cultivators owing to Government action. Similar action in Bengal might lead to the development of the industry.

Bamboos for the manufacture of paper are of a special variety but he agreed that Bengal is capable of producing them.

In reply to the Chairman, he said that the Department of Industries would not experience the same difficulty as the Agricultural Department to getting any increased trained staff provided that money were available. A great portion of the increased grant would be diverted to capital account, e.g., for construction of sugar and paper mills which he considered would be commercially self-supporting.

Reply by Mr. M. Carbery, M.A., B.Sc., D.S.O., M.C., Director of Agriculture, Bengal.

Q. 72. The average yield and cost of cultivation per acre of jute, paddy and sugarcane are noted below:—

Name of crop.	Average yield per acre.	Cost of cultivation per acre.
	Mds.	Rs.
Paddy ..	15 to 18	.. Aus —24 to 33.
		Aman—21 to 27.
Jute ..	15 to 18	.. Rs. 5 to Rs. 6 cost of production of jute per maund.
Sugarcane ..	50 to 56 (gur) or 500 to 600 (cane).	Rs. 100 to Rs. 125.

Q. 73. People commonly believe that the productivity of the soil in Bengal is on the decrease. The quinquennial reports on the crop-cutting experiments for the years 1907-08—1911-12 to 1932-33—1936-37 are also in support of the above belief. It appears that excepting a sudden increase in the quinquennial period of 1927-28 to 1931-32 there has always been a general decrease in the average yield per acre of the principle crops during all (6) quinquenniums referred to above. As regards silt soils which are renovated by inundation every year, it can safely be said, however, that they have not in any way become less productive, although the same cannot be said of the soils which are above floodlevel.

Reasons.—The density of population in Bengal has of late increased appreciably and in consequence thereof pressure on the land has increased. It is now being more intensively cultivated and it does not get as much rest as it used to have. Continual cropping without sufficient rest and manures and absence of judicious rotation in crops have also an adverse effect; also land is being put under paddy which is really not suitable for this crop.

Cowdung is still being generally used as fuel. Formerly wood was more plentiful and was mainly used as fuel. But wood is now replaced by coal and cowdung is used as a starter for firing. Thus a valuable manure within the easy reach of the cultivators is wasted and the land is derived of its manurial value.

There are mighty rivers in Bengal. The spill water from these rivers used to inundate and enrich the low lands by the deposit of silt

every year in the rains. But the spill areas have now been considerably reduced by the erection of embankments and construction of high roads. The benefit if silt has thus been lost to some areas.

Raw bones are now being systematically exported from the rural areas. They form the raw materials for the preparation of bonemeal—a very useful manure for crops in general. There is also a considerable export of oil-bearing seeds. The oilcakes left after the extraction of oil make a very good manure. Thus the potential fertilising values of raw bones and oil seeds are lost to the countryside.

Steps taken by Government for improving the fertility of the soil.—

Free distribution of manures and improved seeds is being made every year by the department, but such distribution is localised and restricted and has barely touched the fringe of the problem. The cultivators appreciate the value of such manures and seeds wherever the distribution has been made and they now come and buy such seeds and manures. Considered from the standpoint of requirements of the whole of Bengal the distribution made by the department is, however, very little indeed.

The Imperial Chemical Industries, Ltd., and the Potash Syndicate carried out a certain number of experiments both on Government farms and, it is understood, also with the cultivators. The former report that, while the demand from Bengal is still far short of her requirements, it is steadily increasing.

Q. 81. The pressure of population on the land is one of the main reasons of the poverty of the agriculturists in general; but this cannot be said so far as the districts in the West Bengal are concerned. The chronic poverty amongst them is mainly due to illiteracy, system of land tenure and want of organisation to enable them to secure heavier yields from their lands and the full value of their produce. Surplus population depending on agriculture is estimated at 25 per cent.

Q. 85. The co-operative credit societies do not appear to have succeeded in tackling the credit problem of the agriculturists to any appreciable extent. Except that some of the agricultural labourers

who are permanent residents of the village and have joined such societies, co-operation has not touched the life of agricultural labourers at all. There are several defects of the system, viz., (1) very often a member does not get a loan at the particular time when it is exactly required as certain formalities are to be observed in getting the loan sanctioned by the competent authorities; (2) there is no distinction between loans for crop requirements which should be repaid at harvest time and for liquidation of debts or for improvement of land which may be repaid over a longer period.

The rate of interest realised by the co-operative societies from the agriculturists is certainly high though lower than that usually charged by the village mahajans but the co-operative movement has helped to reduce the rate of interest charged by moneylenders.

The agriculturists do not seem to have been appreciably benefited by the co-operative societies. Besides the defects noted above, it may also be said that the energy of the organisers of the societies appears to have been spent more on providing credit by creating large number of societies than on any serious attempt to encourage thrift amongst the agriculturists or to promote agriculture or industry on a co-operative basis.

We have no definite information about the percentage of the agriculturists who are members of the co-operative societies. It is estimated that 2 to 5 per cent. or at places less than 1 per cent. of agriculturists are members of such societies. But it can be said that very few co-operative societies have actually been able to wipe out the debts of their members.

Supplementary Questions and Answers.

Q. 1. What comments have you to make on the printed statements attached giving estimates of the yield of each important crop in each district of Bengal and in Bihar?

Answer.—A statement showing the average yield per acre of the principal crops, viz., paddy, jute, sugarcane and wheat, in each district of Bengal, as based on the crop-cutting experiments conducted during the quinquennial period 1932-33 to 1936-37 is enclosed herewith.

It appears that the average outturn of paddy, jute, sugarcane as shown in the printed statement No. VI which appears to have been collected from the Government of India Agricultural Statistics 1935-36 is a little high. The figures representing the yield of paddy and jute shown in the printed Statements Nos. I and VI as collected from the Settlement Records, however, appear to be more correct.

Statement showing the average yield per acre in each district, for the quinquennium 1932-33—1936-37.

Districts.	Yield of paddy in maunds.	Yield of jute in maunds.	Yield of sugarcane in maunds (gur).	Yield of wheat in maunds.
1. 24-Parganas ..	16·56	17·65	59·53	..
2. Nadia	14·76	13·88	47·30	7·34
3. Murshidabad ..	17·39	14·57	57·36	8·91
4. Jessore	19·12	16·74	50·18	7·82
5. Khulna	18·77	15·04	58·77	..
6. Burdwan	19·0	15·72	67·71	9·63
7. Birbhum	16·10	..	44·11	8·93
8. Bankura	20·35	..	61·23	10·23
9. Midnapore	16·91	15·85	61·20	8·98
10. Hooghly	19·30	16·51	57·28	6·89
11. Howrah	19·74	15·53	53·46	..
12. Rajshahi	16·99	13·17	54·38	8·11
13. Dinajpur	18·99	16·68	55·27	9·30
14. Jalpaiguri	16·87	15·27	45·50	8·35
15. Darjeeling	17·12	15·67	42·28	..
16. Rangpur	19·82	18·49	48·46	..
17. Bogra	16·88	16·10	52·37	11·59
18. Pabna	16·71	15·52	57·07	10·37
19. Malda	16·24	14·54	49·01	10·10
20. Dacca	17·45	15·40	55·80	8·17
21. Mymensingh ..	19·38	16·88	58·61	9·82
22. Faridpur	18·74	14·85	47·62	8·21
23. Bakarganj ..	18·0	14·94	39·26	..
24. Chittagong	18·59	..	44·75	..
25. Tippera	17·99	15·17	57·74	..
26. Noakhali	15·0	14·40	45·22	..
27. Chittagong Hill Tracts ..	17·0	..	56·49	..
Total ..	479·80	358·57	1,427·96	152·75
Percentage of outturn in maunds	17·77	15·59	52·89	8·99

Q. 2. Is it true that the yield of rice in Japan is 3 times the yield in Bengal and in China 2 to 2½ times? What do you think are the reasons?

Answer.—The latest figure available shows the yields per acre and the area under rice in Japan and Bengal as follows:—

	Area in thousands per acre.	Yield in maunds per acre of unhusked rice.
Japan	7,729	33
Bengal	22,910	21

The figure for China is not available.

The area under rice in India is 10 times more than that in Japan, the country with the next highest area. In Japan rice cultivation is probably confined to land suitable for rice whereas in India, millions

of unfertile acres are broadcast and transplanted with rice which in other countries would be planted out with forest trees. The average yield for India is naturally much reduced. In Bengal, again, there are several million acres of bhil land where paddy is the only crop which will grow in the kharif season, a precarious crop which has to exist in anything up to 15 feet deep of water and stand the buffeting of monsoon winds and storms.

One point which must be remembered is that in Bengal much of the area under aman paddy is double cropped paddy following aus. In other rice producing countries the rice crop is the only crop taken off in the year. There are figures to prove that on land suitable for rice, the outturn can be as high as that obtained anywhere in the world.

Q. 3. To what extent are the statistics of the Department dependent on (*i*) reports of Settlement Officers; (*ii*) estimates of Collectors; and (*iii*) information collected by the Department itself?

How are the crop-cutting experiments conducted by officers of different departments brought together and compared? Is there any reason to believe that results are usually on the low side? If so, what are the reasons?

Answer.—The statistics of the Department depend almost entirely on the estimates of the Collectors and the information obtained from the Departmental Officers. It is presumed that the District Officers largely make use of the Settlement Records for the purpose of estimating areas under different crops in their respective districts.

The result of the crop-cutting experiments conducted by the staff of the District Officers are collected in this office simultaneously with those conducted by Departmental Officers. These are not compared with each other, but the results obtained from both the sources are collected and averages deduced from them for the purpose of quinquennial crop-cutting returns.

Q. 4. Is there any reason to believe that the yield of rice or any other crop in Bengal could be improved by deeper ploughing or the use of mechanical ploughs or any of the more up-to-date measures adopted in other countries? Could the yield be improved substantially by the extended use of artificial fertilizers or natural manure? Is the use of manure increasing or decreasing at the present time?

Answer.—No general conclusion is possible with regard to deep ploughing and the use of mechanised ploughs in Bengal. Deep

ploughing is not always associated with high return of crops irrespective of the nature of the soil. Where the soil is light deep ploughing is not adviseable; where the soil is on the heavy side and where kharif crops only are concerned increased depth is of doubtful advantage, but with rabi crops deeper ploughing in such lands helps to conserve the moisture better and thus ensures better crop return. Such mould board ploughs have however more possibilities in parts of Bengal where the rainfall is moderately heavy and the growth of weeds and vegetation in the cultivated fields profuse.

There is not much scope for deep ploughing in Bengal where the soil is as a rule shallow. The silt lands and the transplanted paddy lands do not require deep ploughing. In some parts of the province there is scope for tractor ploughing for large areas.

Cropping power of the land can be substantially improved by the judicious application of artificial fertilisers and by the use of natural manures like cowdung, composts, fish manures, Bonemeal, oilcakes, etc. Green manures can also play a great part to improve the crop yield. This however does not refer to silt lands which receive fresh deposit of silt every year. Bumper crops can be raised in such lands without the addition of any manure. Cultivators in general are fully alive to the value of natural manures for some crop only. The house-sweepings and the cattle shed refuses are systematically applied by them to to their cultivated lands. The use of manure is no doubt increasing.

Q. 5. How many district agricultural farms are there, and how many demonstrators under each per district? Why is the supervision of demonstrators confined to a radius of 5 miles? On what grounds are demonstrators posted to a particular area? How far are district farms or demonstration farms a business proposition, i.e., excluding overhead charges do any of them pay their way?

Answer.—There are 20 district agricultural farms in the province. The total number of Demonstrators working in Bengal is 144 including temporary men as detailed in the list enclosed. With a view to obtain efficient work and exercise proper supervision, their centre of activity has been concentrated within the radius of five miles. The demonstration centres are not always confined to any particular place. The Centres are changed according to demand and necessity.

The experimental plots cannot be expected to pay their own way, but minus overhead charges the economic area of district farms always show a profit in normal years.

	Districts.	Number of Demonstrators.	
1.	24-Parganas	4	No farm.
2.	Nadia	5	Location of District Farm.
3.	Murshidabad ..	4	Ditto.
4.	Jessore	4	No farm.
5.	Khulna	3	Ditto.
6.	Burdwan	5	Location of District Farm.
7.	Birbhum	4	Ditto.
8.	Bankura	3	Ditto.
9.	Midnapore	5	No farm.
10.	Hooghly	3	Location of District Farm.
11.	Howrah	3	No farm.
12.	Rajshahi	5	Location of District Farm.
13.	Dinajpur	5	Ditto.
14.	Jalpaiguri	5	Ditto.
15.	Darjeeling	2	Ditto (Kalimpong).
16.	Rangpur	7	Ditto.
17.	Bogra	5	Ditto.
18.	Pabna	9	Ditto.
19.	Malda	6	Ditto.
20.	Dacca	13	Ditto.
21.	Mymensingh ..	12	Ditto.
22.	Faridpur	7	Ditto.
23.	Bakarganj	5	Ditto.
24.	Chittagong	4	No farm.
25.	Tippera	6	Location of District Farm.
26.	Noakhali	3	....
27.	Chittagong Hill Tracts ..	7	Location of District Farm.
		144	

Q. 6. How long has the Department been in existence? In what respects have its activities been most successful? Why has not more rapid progress been made as regards—

(*a*) distribution of improved seeds:

(*i*) Are such seeds as a rule distributed free or sold? What have been the agencies for selling and what have been the rates?

(*b*) introduction of new crops:

Does the soya bean grow in Bengal? Is it true that this is one of the main articles of diet in China and Japan? Are any substitutes for it in Bengal possible?

(*c*) damage done to crops by insects and blights:

(*d*) improvement of the breed of plough cattle:
To what extent have scrub bulls been eliminated?

(*e*) encouraging the growth of special fodder crops and increasing the extent and quality of pasture grounds.

Answer.—This Department as constituted now dates from 1906 when Agriculture was separated from the Department of Land Records.

The activities of the Department have been most successful in following directions:—

(*i*) Evolution of improved seeds of Jute, paddy and sugarcane, groundnut and mustard, etc.

(*ii*) Introduction of new crops, e.g., potato, English vegetables, joar, guinea grass, napier grass and cotton.

(*iii*) Good progress has also been made in the direction of improvement of cattle and poultry.

Rapid progress has not been made in the past for following reasons:—

(1) The drastic cut of the Retrenchment Committee hampered all progressive measure.

(2) Absence of Agricultural College for advanced students in agriculture. This has resulted in a dearth of trained man.

(3) Illiteracy of the masses in not easily comprehending and taking to new ideas.

(*a*) Seeds are distributed free to a limited extent for demonstration and experimental purposes. Good quantities of seeds other than jute are sold to cultivators at cost price from Government Seed Stores. Jute seeds are sold through the agency of Messrs. A. L. Godden, Narayanganj.

(*b*) It is correct that soya bean is an important article of diet in China and Japan. Attempts have been made to grow the crop but it does not suit the taste of the average Bengali and so there is no market for it.

Pulses and groundnuts may serve as substitutes.

(*c*) The staff available to tackle the problem of insect attacks and blights in the province is too meagre and should be reinforced considerably. More damage is generally done to crops by insects than by blight.

(*d*) Since 1927, one thousand seven hundred and five stud bulls have been issued in villages for improvement of local stock. From 1936-37 up to the 30th November 1938, 57,566 scrub bulls have been castrated by the Livestock Officers excluding the bulls castrated by Officers of Civil Veterinary Department. To encourage better breeding, officers inspect stud bulls and number their progeny.

(*e*) Since 1936-37 up to 30th November, 1938, 11,175,000 napier grass cuttings and 195 maunds of fodder seeds have been issued to bull retainers.

Napier grass and joar cultivation is spreading in the province. No fodder crops can be grown on water logged and flooded lands.

Pasture.—In a meeting of the Animal Husbandry Board, Bengal, on 18th and 19th May 1938, the Board considered that there was very little land in this province which could be converted into improved pasture. It would be ploughed for paddy as soon as cleared.

Q. 7. What area can be cultivated by one pair of bullocks or one plough? Has cultivation in departmental farms by scientific methods increased the cost of cultivation—If so, by what amount?

Answer.—Five acres per pair of bullocks is taken for agricultural farms. With our departmental improved ploughs, a larger area can be cultivated than with the wooden deshi plough in the same time. From actual experiments made in different places with improved ploughs and without the use of any manures it has been found that a higher yield of grain from 3 to 4 maunds per acre can be obtained.

By scientific methods and use of manures, the cost is increased to the extent of the value of the manures or fertilizers used.

As regards the cost of cultivation by scientific methods it may be pointed out that this is difficult question to answer. Because with different crops, different quantities of different fertilizers are necessary and as such the cost varies. Again with some crops such as vegetables more intensive cultivation is necessary and this crop repays the use of fertilizers better than most other crops. It can, however, be taken generally that the extra yield of the crop easily repays the extra cost of better cultivation and fertilizers used.

Q. 8. When were marketing officers first appointed by Government? What are their most important activities at present? What improvements have they been able to bring about?

Answer.—The present scheme for the improvement of marketing of agricultural crops in Bengal is a part of the scheme for the whole of India, financed, for the most part, by the Government of India.

There are four Assistant Marketing Officers, besides the Senior Marketing Officer and they joined their duties on the following dates:—

Senior Marketing Officer on 7th February 1935.
On Assistant Marketing Officer on 20th July 1935.
One Assistant Marketing Officer on 25th July 1935.
One Assistant Marketing Officer on 5th August 1935.
One Assistant Marketing Officer on 9th August 1935.

Besides the above the Local Government created a post of an Assistant Marketing Officer for development work who joined on 10th August 1938.

According to the programme charted by the Agricultural Marketing Adviser to the Government of India, the activities of the Marketing Officers are investigating the conditions under which the agricultural crops and commodities are produced and marketed. They include enquiries into production, imports, exports, wholesale and retail prices and their trends, marketing practices and charges, transport and charges, grades and standards, etc. Such detailed surveys have been completed in respect of 26 commodities and are in progress in respect of 5 crops or commodities.

Under "development", grading stations as enumerated below have been started:—

Two Hide grading stations.

Three Egg grading stations.

One Orange grading station.

Future programme includes, besides the above, the control of all markets in Bengal in respect of agricultural produce, after the passage of the Agricultural Crops Markets Bill now before the Government.

Improvements are aimed at improving the quality of agricultural produce through the grading work and this has been achieved to some extent. It is also aimed that by the working of the above Bill, when it has passed into law, illegal deductions from the cultivators would be stopped, all weights but the standard would be abolished, regulated markets would be established where cultivators would get better prices and other facilities which they do not get now.

Q. 9. Is it true that the ordinary cultivator does not take any special care to choose his seed from the best portion of his last crop? Is it advisable to take any special measures as regards preserving that part of the crop intended for seed? Has any propaganda been done in this respect?

Answer.—Yes. As a rule the ordinary cultivator does not take any special care to select his seed from the best portion of his last crop. There may be some exceptions which are very rare and restricted to particular localities for particular purpose. It is advisable to take special measure to preserve that part of the crop intended for seeds, especially with the improved varieties, so that pedigree quantities of the variety are maintained year after year. There have been some attempts by the Department of Agriculture in this respect through district staff.

Q. 10. Has the cultivation of any vegetables, apart from cauliflowers, cabbages and tomatoes, made any strides in the last few years? If not, what are the reasons?

Answer.—Some vegetables like brinjals, patal and chillies are being cultivated on a large scale in certain districts for supply to towns and hats, markets, etc.

Q. 11. Is it true that since the Fishery Department was abolished in 1922, the care of fisheries has been in charge of the Director of Agriculture? Was it a mistake to abolish the Department? What can be done to increase the supply of fish for the use of the population in Bengal?

Answer.—Since the abolition of the Bengal Department of Fisheries in 1922, the charge of the fisheries of the province has been placed directly under the Collectors. This department is only the custodian of records and publications of the late Fishery Department. That the abolition of the Department of Fisheries does not appear to be very sound is evident from the large amount of fish produced in the province and the amount of wastage. Mr. Finlow, late Director of Agriculture, Bengal, submitted a note on the reorganization of the department in 1933. The problem regarding the increase of fish supply in Bengal is at present being investigated by the Fishery Expert to the Government of Bengal.

Q. 12. According to Government statistics more than 20 per cent. of the culturable area of Bengal is still lying fallow. What is the reason that the area is not brought under cultivation in spite of the pressure of population on the land? What can be done to encourage reclamation of such areas?

Answer.—The reasons why the culturable area of Bengal is still lying fallow are different in different districts. Taking however, all into consideration the question may be dealt with in the following way:—

The culturable waste comprises—

(*a*) common so-called pasture land in the villages,

(*b*) bamboo clumps and other jungles behind the cultivators' houses, and

(*c*) extremely high or extremely low lands which cannot be easily brought under cultivation for want of water or excess of water.

Pasture lands being the common property of the villagers and tethering of cattle being absolutely necessary they cannot be brought under cultivation. Such maintenance of pasture land is of course uneconomic but it may not be possible to bring them under cultivation unless and until the villagers themselves cultivate such land on co-operative basis.

The portions under bamboo clumps, jungles and trees cannot be brought under cultivation as these are necessary for the cultivators. The cultivator requires bamboos for building his house, timber for implements and a few fruit trees for fruits. The jungles are also required for maintaining the privacy of his house, no systematic conservancy system being available in rural Bengal. The wood gathered from the jungles is utilised as fuel. High initial cost of cultivating these lands also stands in the way.

Climatic changes, silting up of river beds, soil erosion and changes in the courses of the rivers have also contributed their quota to this direction, while Malaria which has been playing havoc in several districts of the Presidency is to a great extent responsible for extensive areas lying fallow in those districts.

If more water can be supplied to high lands by irrigation and excess water drained off from low lands extremely high or low lands may be brought under cultivation.

Q. 13. What is your estimate of the annual loss on account of floods? How long does it take a cultivator to recover from the effect of a flood? Would it be more advantageous to convert the areas liable to damage from floods, into spring crop areas for cultivation of boro and other spring crops? If so what can be done to encourage such conversion?

Answer.—It is very difficult to estimate the actual annual loss due to floods, as in some years due to early breakage of monsoon the loss to the main crops is severe while in other years the damage to the main crop on account of late floods is partial. The estimated annual loss on jute, bhadoi paddy and winter paddy below normal calculated on the average of 10 years (1928-1937) is, however, shown in the statement attached.

It is difficult to say how long it takes a cultivator to recover from the effect of a flood, such as passed over some areas in Pabna and Rajshahi Sadar last year. Some estimates give it as long as three years, and that is possible because the cultivator does not know the meaning of the word thrift. Actually this flood would gradually deposit silt and so enrich the land as to give a heavier yield for the next year or two.

Cultivators always put areas damaged by floods under rabi crops whenever possible. Except small areas where there are facilities for irrigation, "boro" cannot be grown as spring crop, because there would be no water to grow the same. When the flood water recedes no water is available for ordinary land except in bheels where "boro" is generally cultivated. Irrigation facility is the main thing required to encourage the conversion of areas liable to damage by floods into spring crop areas.

Estimated annual loss on different crops below normal calculated on the average of 10 years.

	Bales.
Jute	164,453
	Maunds.
Bhadoi paddy	175,368
Wirter paddy	265,978

Q. 14. A very large area of Bengal (80 per cent.) grows only one crop. Is it not possible to encourage second crops in all lands and if so how?

Answer.—Only the barind and rarh tracts are single-cropped. A second crop is possible in some parts of these areas also if water can be supplied, but there is no source of water. Second crop is not possible in all cases, e.g., fruit trees. A fair percentage of the area growing one crop is after all possible to be brought under a second crop if proper irrigation facilities be available.

Q. 15. Is any demonstration made in Government farms to show that the margin of net profit can be made twice or thrice the existing margin of an agriculturist, by intensive cultivation, use of manure, choice of seeds and proper planting of crops? Are accounts kept of expenses incurred in growing each crop and do they prove that the margin of profit is much more in a farm?

Answer.—The crops grown in Government Farms by scientific methods undoubtedly give a far better yield than those generally grown on the cultivators' fields. There cannot, however, be any comparisons so far as profit is concerned in the two cases in as much as very little expenditure has to be incurred by the cultivators on account of labour, supervision and other overhead charges. The cultivators do not also take into account any depreciation of implements and live-stock, etc., as is done in working out a profit and loss account of a Government Farm. The economic areas in Government Farms shows a substantial margin of profit in normal years even after allowing for all these items. The private farms which follow the Departmental method also make similar profit. It is true that no such demonstration has been made but farming on scientific lines shows an increase in the margin of profit in a definite proportion.

Q. 16. Since when have crop-cutting experiments been introduced? Do not the average quinquennial figures of yield of the oldest period show higher outturns? If so, what is the reason of the lower outturn now?

Answer.—The crop-cutting experiments appear to have been first introduced in 1892—about 48 years back. But they have only been taken up systematically and published quinquennially since 1907-08.

It will be seen from the four quinquenniums, viz., 1907-08—1911-12, 1912-13—1916-17, 1917-18—1921-22 and 1922-23—1926-27 that the average yield per acre of the principal crops is generally on the decrease, although in the quinquennial period of 1927-28—1931-32 there was a sudden appreciable increase, probably due to the fact that the majority of the experiments of this period was conducted by the Departmental Officers. The decrease in the yield was also marked in the subsequent quinquennial period of 1932-33—1936-37. It was due to deficient and uneven rainfall during the major parts of the first four years.

Impoverishment of land due to cropping without manuring and proper relation have contributed substantially to the present day low outturn.

(Also *vide* reply to question 73.)

Q. 17. Is the Department in a position to give advice regarding the economic use of fertilisers?

Answer.—The use of fertilisers for crop improvement is of very recent date in Bengal. Work has been done by the Agricultural Department since its inception on the manurial value of fertilisers. The results given by fertilisers depend almost entirely on the watersupply. With precarious rainfall or inadequate irrigation artificial fertilisers usually fail. They are more effective with adequate moisture supply. Best time of application of fertilisers is a point which requires careful attention and this differs with the nature of the crops. From the work so far done the Department is in a position to recommend certain fertilisers in certain classes of soil for certain crops. It is essential however to have a thorough knowledge of the different classes of soil as exist in Bengal and their location in order to be able to recommend the use of fertilisers for general application. A soil survey is a preliminary necessity and the Department has much leeway to make up in order to improve its knowledge of the various classes of soils in Bengal and their response to the application of fertilisers.

Q. 18. What has been done by the Department to develop the poultry industry?

Answer.—A Poultry Section was started in the year 1927. Several times epidemics which are very common in this province have badly hit this section but work has steadily gone on to try and get a fixed cross between the Chittagong birds and the Rhode Island Red. The 6th cross reached at present seems to promise to be of a fixed breed. In the meantime, it has been found that cross-bred birds have given a much heavier egg and a greater number than the deshi; and, in the year 1934-35, it was decided to begin putting out such birds and eggs

as could be spared in the districts. Some of these were pure bred. Since then 805 birds for breeding purposes and 9,908 eggs for hatching have been issued. In addition, 221 cocks and 550 eggs have been purchased from Etah for distribution purposes. There are poultry centres in 13 districts at present. These centres consist of 2 villages where the villagers consent to kill or sell off their deshi cockerels.

Practically everywhere throughout the province this scheme has been successful. In Hooghly district, the centres spread to 35 villages, and now in this Poultry Union which has been formed, there are 79 villages. In Rajshahi, an equally successful union has also been established. The reason for the success is that the cross-bred bird is producing a bigger egg which is finding a better price in the market, while the bird itself is also bigger and fetches anything from 4 to 8 annas more than the deshi when sold for table purposes.

Oral evidence of Mr. M. Carbery, D.S.O., M.C., Director of Agriculture, Bengal, 7th February 1939.

Replying to the Chairman, Mr. Carbery said that he had been Director of Agriculture for two years and had had 18 years' experience in the Bengal Department.

As regards the cost of cultivation, he considered that the figures given in the report of the Provincial Banking Enquiry Committee are too high. He thought that Rs. 22 to Rs. 26 is too high a figure for the cost of labour and Rs. 11 for bullock power is also on the high side. His own figures are inclusive of all costs. They were carefully prepared over three years and were based on the examination of cultivators in a number of villages.

The present price of jute is about Rs. 7-2 in the mufassal and about a rupee more in Calcutta. The cultivators are actually making a profit equivalent to about the value of their own labour. The figure of Rs. 92 per bigha for sugarcane cultivation in the Report of the Banking Enquiry Committee was for the Government farm and is not generally applicable. The cost of cultivation on the Dacca Farm is higher than that of ordinary cultivators because the over-head charges are greater and the department carries out certain processes which the cultivators do not.

Much of the land which is now being cultivated for paddy is not suitable for that crop. This fact combined with the increasing pressure on land is responsible for a deterioration in agriculture and decreased yield. The best paddy-producing areas in Bengal can produce as much as in Japan. In Brahmanbaria (Comilla) an outturn

of 2 tons per acre has been obtained annually over five years. Cultivation of paddy over centuries would not normally lead to deterioration provided the lands receive silt or manure.

The Department has done little until this year to supply manure, as the grant has been very small. It has succeeded in producing manure from organic refuse with cow-dung washings, similar to adco. In Bengal there is a great manurial loss and the cultivators are very slow at adopting better methods. They are fairly efficient at paddy cultivation but there is room for much improvement. If the departmental staff can be increased, much more can be done. The budget until this year has been Rs. 9 lakhs for the whole department compared with approximately Rs. 27 lakhs in the other major provinces.

The number of bulls castrated by the Departmental Officers is a small percentage of the whole. There was trouble only in one district over castration and that has now been overcome. The average yield of cows in milk is 600 lbs of milk a year, whereas the yield ought to be at least 3,000 lbs. The veterinary staff employed in the districts has little knowledge of animal husbandry. A training college has recently been begun and there is great opening for training young men. The department is now experimenting with the production and sale of by-products such as ghee and chana, as transport of milk is difficult in the mufassal, specially during the rains.

In reply to Dr. R. K. Mukherji, Mr. Carbery said that the present agricultural problem is difficult but certainly not hopeless. He suggested that the prime necessities are extension of the district staff and distribution of improved seeds.

In his reply to supplementary question 2, the outturn of paddy had been wrongly shown as 21 maunds. It should be 20 maunds (here Sir F. A. Sachse pointed out that in Japan "unhusked" rice means rice without a husk, i.e., the opposite of our meaning. The outturn in Japan would, therefore, be about 48 maunds instead of 33). Much of the area which is unsuitable for paddy is not fit for any crop unless irrigation facilities are provided.

In reply to the Chairman, he said that the cost of irrigation might be prohibitive in these areas if carried out by tube-wells. A Committee is now enquiring into this question.

The cultivation of groundnuts is now being tried instead of paddy in such areas. The introduction of fodder crops is very important but it is difficult to accomplish because cultivators are generally unwilling to substitute fodder crops for paddy.

In reply to the Chairman, he said that there is now practically no pasture area in Bengal.

Continuing to Dr. Mukherji, he said that the province including Calcutta is now importing over four million maunds of mustard every year. Next year it is expected that the department will be able to supply 1,200 maunds of mustard seed.

He considered that in eastern Bengal the cultivators are employed throughout most of the year. They grow paddy, jute and rabi crops. In western Bengal no crop is grown in the hot weather and the cultivators remain unemployed during part of the year. The East Bengal cultivators spend most of their spare time in fishing. There is scope for development of orchards and cottage industries.

In reply to the Chairman, he said that there is also scope for cultivation of vegetables and that the department is working on these lines.

Continuing to Dr. Mukherji, he said that land in western Bengal is more barren than elsewhere. The reason for the smaller population in that area is that the land could not support a larger population. This is particularly the case in Bankura and the west of Burdwan. He thought that there would be an improvement in cultivation when the Bill for the improvement of tanks is introduced. Rotation of crops is encouraged by the Department.

Dealing with afforestation, he said that the problem is one of stopping erosion in western Bengal and of bringing silt lands into cultivation in eastern Bengal. Both of these objects could be brought about by controlling afforestation. A Committee is now enquiring into this problem.

There is scope for increasing the area under oil-seeds and their yield.

Replying to Khan Bahadur Momin he said that the Department has not carried out propaganda to induce bhadraloks to take up farming but it has helped those who have started farms. The departmental farms in districts have as their object experimental and testing work as well as seed production rather than demonstration. He agreed that agriculture should play a greater part in education and suggested that it should form part of the Matriculation Examination. He said that in western Bengal he would prefer irrigation by a system of gravitation but the difficulty is that there are few rivers. Tube-wells would be very expensive and it is not certain how long they will last. There remains the question of irrigation by tanks. The general system is to raise water by duni. It would be quite possible to carry water through pipes driven through the sides of the tanks. The department has also experimented with lifting water through bullock power. He agreed that the department should consider the development of irrigation specially in western Bengal.

The department has no agricultural credit societies. He agreed that co-operative farming is desirable but his experience is that the cultivators are reluctant to start societies. He had tried to arrange a paddy co-operative sale society but it was not a success. He mentioned however that there is a co-operative society for sale of sugarcane and manufacture of gur at Panchananpur in Malda, which is working successfully. The department is experimenting with molasses as cattle-food. The scheme for cultivation of ground-nuts will be developed on a much larger scale in western Bengal next year. Bankura is being tried this year. He agreed that the most expensive part of groundnut cultivation is the labour for digging up the nuts but he thought that the cost could be reduced if suitable soil is selected.

The Department has proposed to establish a centre in each division for the distribution of improved poultry. He did not agree that the department has done nothing to develop poultry farming. The results of its work show that poultry farming is possible as a business. He mentioned the case of a bhadralok in Bankura whose poultry farm he had recently visited.

There have been co-operative milk unions for sale of milk. The Dacca Union failed and those in Calcutta and Darjeeling are in an unsatisfactory condition. He was not in favour of encouraging the cultivators to produce butter as they would be unable to sell it readily. Chana and ghee are more profitable bye-products. The department has not been able to do anything for the improvement of the milk supply, as the necessary staff has not yet been trained.

After various experiments the department has decided to adopt the Hariana bull for breeding purposes as it has been found the most suitable.

The department has started a horticultural station in Nadia district. It has experimented with mangoes, lichis, guavas, pine-apples and citrus fruits. He agreed that if canning could be introduced, it might be possible to develop a trade in canned mangoes and lichis.

He also agreed that there was a serious economic loss to the province owing to the indiscriminate breeding of cattle and said that there are far too many cattle in Bengal.

Replying to Khan Bahadur M. Hosain, he said that the present price of paddy in Western Bengal is from Re. 1-12 to Re. 1-14 a maund and in eastern Bengal from Rs. 2 to Rs. 2-2. These figures were recently obtained by examining more than 200 witnesses.

The price of gur fell as low as Re. 1-8 in some areas last year but it has now risen to over Rs. 4. His figures for the cultivation of sugarcane include the cost of manufacture which is the principal item.

This year Government has allotted more money for distribution of seeds and manure. Up to 1938, the provincial allotment was only Rs. 7,000 a year. This year it is about Rs. 34,000.

The demand for fertilizers is restricted to certain crops. The department had experimented in northern Bengal and it found that the use of fertilizers is not always an economic proposition, e.g., when the price of gur fell to Re. 1-8, it did not pay the cultivators to use fertilizers for sugarcane cultivation. The use of fertilizers is slowly on the increase and the department recommends their use for special crops and purposes.

The difficulty in arranging co-operative marketing is that most cultivators have to sell part of their paddy immediately after the harvest and cannot afford to store it. He mentioned one society at Parbatipur which has every chance of being successful. This is because it has the natural advantages of a situation on the railway and on a main road. It also lies in an area where exceptionally good paddy is grown. The price of paddy is at its lowest at the time of the harvest.

No tube-well experiments have been made by the department in unfertile areas, such as Nadia, as they would not be justified without full enquiries into the probable financial results. Such experiments had been made on Government farms. The large tube-well on the Dacca Farm cost Rs. 20,000 and irrigates 10 acres. A small tube-well would only irrigate about an acre. The cost of the engine and the wages of the mistry make it an expensive form of irrigation. It is cheaper to irrigate from rivers.

Crop-cutting experiments are not carried out on any planned method. The figures supplied by the department and by Collectors are likely to be equally inaccurate. No real accuracy will be obtained until a system of random sampling, on a mathematical basis, is introduced. This is now being tried by the Jute Committee and it will take two years to conclude the experiments. They have been tried and found successful in European countries. Cultivators have no knowledge of the correct methods of preserving manure. The department is helping this year by the construction of scientific pits.

His estimate of the area covered by improved seed of paddies is 1·48 million acres. An extension is only possible if the agricultural staff is greatly increased and a larger supply of improved seeds is provided.

In reply to Sir F. A. Sachse, Mr. Carbery said that the total general requirements of paddy seed for the whole province would be 15 million maunds.

Continuing to Khan Bahadur M. Hosain, he said that the department has not got sufficient staff. It is trying to link up the district farms with the cultivators through the agency of union farms.

As regards improved breeding of cattle, he said it is not a question of introducing immediately a large number of breeding bulls but of getting the necessary money and having a trained staff. In areas where stud bulls are concentrated, it is expected that each such area will be completely covered by an improved standard of cattle after seven years. These areas are 5 to 10 square miles in size.

As regards the cultivation of fodder crops, he said that it would not be possible to sow napier grass after amon paddy is harvested. December is too late for sowing. The crop takes two to three months to grow. The Department had experimented with improved ploughs of which Bengal and Subkam No. 2 are most suitable to Bengal.

As regards the recommendation of the Royal Commission of Agriculture that the market should be regulated, he said that Government has recently drafted a Bill.

The fall in the price of gur last year was due partly to overproduction. He considered that marketing is most important for sugarcane, and mentioned that in spite of the low price last year, Bengal and Calcutta each imported gur, rab, molasses, etc., to the tune of 1,722,191 and 2,324,980 maunds respectively.

A programme for planned agriculture might be possible if the markets are controlled; but no control is possible unless reliable statistics exist. He would certainly recommend that such statistics should be collected.

The Department is concerned with only small irrigation schemes. Embankments and drainage are not the concern of the Agricultural Engineers but of the Irrigation Department. He would recommend regular flushing schemes for areas which have been depopulated by Malaria.

The cost of carrying out a general soil survey in Bengal would be not less than Rs. 20 lakhs. Without such a survey of any particular area no irrigation scheme ought to be undertaken.

There is a heavy export of eggs from Bengal but he could not say whether there is an export of poultry. Improved poultry certainly fetches better prices than ordinary poultry. He agreed that all poultry is liable to epidemics.

The agricultural budget is quite insufficient for the needs of the province. The minimum requirement would be that which is now allotted to other major provinces. This sum could not however be

used immediately as trained staff is not available. It would take five years to train up the necessary staff. The Department might be able to use Rs. 15 lakhs this year. If all the schemes formulated by the department could be properly financed, production and income of the cultivators would undoubtedly be improved.

In reply to Khan Bahadur Hashem Ali, he said that the Department has agricultural farms in most districts. The average area is about 30 acres and cost of maintenance about Rs. 6,000 including the pay of the District Agricultural Officer and the demonstrators. In Barisal, there are five demonstrators, each within a radius of five miles. The cost of improved ploughs is not much greater than that of country-made ploughs and the extra cost is more than repaid by the increased yield. Tractors are not used by the Department. The Department had made enquiries into diseases which affect betel-vines.

Breeding bulls had been supplied from the Government of India grant. He was not aware that 25 per cent. of the bulls supplied to Faridpur district have died. If that is correct, it could not be considered unsatisfactory because the bulls had been there for two years and the normal mortality among cattle is 16 per cent. annually.

There is plenty of land available for the cultivation of napier grass and it is always possible for cultivators to find a small patch of land round their homesteads.

In reply to Maharajadhiraja Bahadur of Burdwan, he said that the statistics given in answer to question 73 are not reliable. The figures given in answer to question 72 are largely based on the statements of cultivators and he thought that they might be regarded as fairly accurate. The main defect of the departmental figures is that they do not show the area under each crop and the outturn for any given year. It is possible that the decrease of spill areas in West Bengal is partly responsible for the culturable waste in western Bengal, but he could not state its area. The Department's figures include pasture lands in culturable waste. Such lands must be used for collecting and storing manure, but often they are used for football and other games.

He agreed that the railway freight for oilcakes and other manures might be reduced. Pure fertilizers are obtainable from Calcutta whereas those supplied in the mufassal are often adulterated.

In reply to Mr. B. K. Roy Chowdhury, he agreed that rotted water-hyacinth has considerable value as a manure. In rich soil, it is better to use the ash and in less fertile soils the rotted hyacinth.

The department had carried out experiments with water-hyacinth and it is a part of its programme to extend its use.

Reply by Mr. S. C. Majumdar, B.Sc., M.I.E., Chief Engineer, Communications and Works Department, Irrigation Branch.

Q. 74. Presumably the following Acts are referred to:—

(1) The Land Improvement Loans Act, 1883—Act No. XIX of 1883.

(2) The Bengal Agricultural and Sanitary Improvement Act, 1920—Bengal Act No. VI of 1920.

(3) The Bengal Development Act, 1935—Bengal Act XVI of 1935.

To my knowledge item (1) has never been in operation in this Department. This Act is usually taken recourse to for the purpose of granting loan as a sort of a relief during distress and I have no information that the raiyats have ever applied the loan for permanent improvement of the land.

The following schemes have been taken up under the Act referred to in item (2):—

(1) Kashianalla Irrigation Scheme (Birbhum District)—Cost Rs. 26,024 (work Rs. 9,624 capitalised cost of maintenence Rs. 16,400. Total Rs. 26,024). Irrigable area—1,690 acres—completed.

(2) —Ditto—supplementary cost Rs. 27,716. Irrigable area—3,690 acres. Sanctioned and will be taken up in 1938-39.

(3) Scheme for the improvement of the Ramnagar Sapua Khals (Drainage Scheme) in the Midnapore District. Cost Rs. 24,274. Drainage area 20,728 acres. Sanctioned and will be taken up in 1938-39.

2. It will appear that provisions of this Act are not taken advantage of extensively due probably to (*a*) rather cumbrous procedure of the Act, and (*b*) the necessity to include the capitalized cost of maintenance in the project estimate which raises the total amount to be recovered from the raiyats to a rather high figure. As the whole of this amount plus interest has to be recovered within a comparatively short period the annual instalment payable by the raiyats probably exceeds considerably the value of the increased yield that can be expected as a result of the improvement effected by the scheme. As the raiyats are usually poor without any supplementary source of income they have, therefore, to borrow at an exorbitant rate of interest to be able to pay the annual instalment which further raises the total cost that the raiyat has to pay ultimately for the improvement. There is also the objection that the present generation has to pay at a much higher rate,

though for a limited period, for benefit which will be derived not only by them but also by the future generations.

3. These defects have been sought to be removed by the Bengal Development Act. Raiyats may not be required to pay up the capital but only the interest and the maintenance charge out of the increased yield and thus get the full advantage of the low rate of interest at which the Government can borrow money as compared with the exorbitant rate which they would have to pay if they were required to pay up the capital. Both the present and future generations are taxed equitably for the benefit and even if the scheme proves a failure the burden does not fall on them but on the Government. In my opinion it is the Bengal Development Act on which we must rely for financing big development schemes.

4. In this connection I would like to make a few general observations with a view to focussing attention on the seriousness of the river problems in Bengal which is causing so much concern to this Department and the solution of which has an important bearing on the land revenue policy now under consideration of the Commission. I shall not take up the valuable time of the Commission by trying to explain the various problems and their solution which I have done in my recent note on "River Problems in Bengal" but small merely summarize the conclusions that I have drawn with the remarks that these have been endorsed by an influential conference that was convened by the Hon'ble Minister to consider my note as also the replies received to the questionnaire based on the same that was issued to the members of the Legislature, Collectors, Commissioners and other public bodies.

5. Owing partly to natural causes, viz., major changes in the courses of some of the principal rivers, and partly to human interference with the process of building up the delta viz: premature reclamation of spill areas by marginal embankments and other obstructions most of the spill and drainage channels in western, central and northern Bengal have become moribund and there is growing deterioration in health and productivity of the soil. To arrest this deterioration and to restore old prosperity to these areas, as far as it is possible to do so, it is necessary to resuscitate the channels and effect other improvements so as to restore the spill supply during floods which they have been deprived of due to causes referred to above.

6. Such development schemes are bound to be very costly and as they cannot be financed out of public revenue the Bengal Development Act was passed with the object of financing them by charging a water-rate up to the maximum limit of 50 per cent. of the increased yield that may be obtained from the land as a result of the improvement. Though the raiyat was allowed to retain the balance of the increased

yield, which virtually amounts to an unearned addition to his income, it appears from the recent agitation against the Bengal Development Act resulting in its withdrawal from the Damodar Canal area, that this beneficent measure wthout which no improvement of the decadent area is really possible, has received a setback. There are, of course, other causes, political and administrative, behind the agitation with which the Commission is not concerned but there may be some truth in the raiyat's contention that the land rent in the locality is unusually high and they are unble to pay the water-rate of Rs. 5-8 per acre in addition in their economic condition even though it has been shown by large scale experiments conducted in the field on scientific basis that this figure is well within 50 per cent. of the increased yield which can be levied under the Act. If the raiyats contention regarding exorbitant rent is true—I understand it goes up to even Rs. 5 per bigha—it only confirms the view recorded by the ancient writers, that this area which, without irrigation facilities, now yields only about five maunds of paddy per bigha, used to be very productive at the time of Permanent Settlement or later when these high rents were fixed and that though the productivity of the soil has deteriorated considerably due to causes mentioned above, the necessary adjustment of the land rent has not yet been made. Not being a revenue expert I am unable to offer any definite solution but if after enquiry the position is found to be more or less the same as explained above there appears to be room for improvement (*a*) either by adjustment of the land rent to suit the present reduced yield so that the cost of improvement may be equitably demanded from the raiyats or (*b*) by throwing the burden of the cost of improvement of the land up to the former standard on the party who are still realizing the high rent or (*c*) by both the methods.

7. I feel we are really working in a vicious circle as it is only by executing the Development Schemes that we can improve the economic well-being of the raiyats and enable them to pay the high rental without difficulty; while by carrying on the agitation against the Act such improvements will be impossible and raiyats will find it more and more difficult to pay the rental as the deterioration in health and land continues. I would particularly invite the attention of the Commission to this latter aspect as unless the wherewithal is found to execute the development schemes so that the rivers may be made to perform the functions as intended by nature, viz., draining and fertilizing the land which they created, the revenue receipts are bound to deteriorate as the deterioration of the land continues.

Supplementary questions and answers.

Q. 1. What area is irrigated by the different schemes prepared by the Department?

Answer.—The information required is furnished in the Statement below—

Statement showing the area irrigated by the different schemes prepared by this Department.

Year.	Midnapore Canal.		Bakreswar Canal.		Eden Canal.		Amjore Canal.		Salbund Canal.		Kashianalla.		Damodar Canal.	
	Irrigable area. Acres.	Area irrigated. Acres.	Irrigable area. Acres.	Area irrigated. Acres.	Commanded area. Acres. irrigable.	Area irrigated. Acres.	Irrigable area. Acres.	Area irrigated. Acres.	Irrigable area. Acres.	Area irrigated. Acres.	Irrigable area. Acres.	Area irrigated. Acres.	Irrigable area. Acres.	Area irrigated. Acres.
1928-29 ..	80,000	64,842	8,000	..	25,000	38,789	600	..	1,600	..	1,747	..	136,500	..
1929-30 ..	..	59,605	..	..	..	22,119	..	..	..	..	..	..	..	..
1930-31 ..	..	51,541	..	..	..	20,992	..	..	..	..	..	..	..	..
1931-32 ..	..	38,967	..	4,132	60,000	18,220	..	..	..	..	..	..	..	..
1932-33 ..	..	28,136	..	5,861	60,000	18,574	..	..	..	..	..	..	..	..
1933-34 ..	..	19,517	..	7,361	60,000	14,977	..	..	..	..	..	..	..	5,580
1934-35 ..	..	10,491	..	7,760·63	60,000	14,114	..	..	..	..	..	1,747	..	85,000
1935-36 ..	..	37,884	..	6,489	60,000	24,948	..	600	..	1,575	..	1,747	..	132,278
1936-37 ..	..	40,606	..	5,620·82	60,000	18,483	..	600	..	1,537·51	..	1,747	..	133,101
1937-38 ..	..	41,603	..	4,039·04	60,000	14,635	..	600	..	1,462	..	1,462	..	136,507
	Average ..	39,319		5,894·78		20,595		600		1,524·8		1,675·93		

Q. 2. What was the capital outlay on these schemes? What is the recurring expenditure?

Answer.—The information required is furnished in the Statement below—

Statement showing the capital outlay on different schemes and the recurring expenditures.

Year.	Midnapore Canal.		Bakreswar Canal.		Eden Canal. (a)	Salbund Canal. (b)	Amjore Canal. (c)	Damodar Canal.	
	Capital outlay.	Recurring expenditure.	Capital outlay.	Recurring expenditure.	Recurring expenditure.	Recurring expenditure.	Recurring expenditure.	Capital outlay.	Recurring expenditure.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1928-29 ..	84,92,053	1,94,222	1,89,557	..	44,284	..	..	..	..
1929-30 ..	84,92,053	2,34,805	3,48,900	..	45,902	..	..	..	..
1930-31 ..	84,92,053	2,13,900	5,60,483	..	45,307	..	..	..	..
1931-32 ..	84,92,053	1,87,038	6,71,307	1,258	52,831	..	..	..	..
1932-33 ..	84,92,053	1,55,612	7,11,038	6,734	57,864	..	..	..	..
1933-34 ..	84,92,053	1,49,989	7,11,370	13,636	*	..	..	1,02,23,798	(d) 1,05,074
1934-35 ..	84,92,053	1,48,038	7,13,812	12,656	*	1,652	2,129	1,04,73,454	(d) 2,52,120
1935-36 ..	84,92,053	1,31,397	7,13,875	12,372	*	685	1,892	1,09,65,928	(d) 2,15,993
1936-37 ..	84,92,053	1,26,914	7,13,875	13,697	52,251	2,894	1,299	1,17,58,449	2,23,091
1937-38 ..	84,92,053	1,48,578	7,13,502	15,420	64,302	5,729	1,136	1,20,30,731	3,53,426

*Included in Damodar Canal.
(a), (b) and (c) No capital and revenue accounts are kept. Hence it is not possible to supply the figures.
(d) Includes Eden Canal also.

Q. 3. What has been the income from water-rates during the last 10 years? What is the rate of assessment in each area and on what principle it is based?

Answer.—The information required is furnished in the Statement below—

Statement showing the income from water rate during the last 10 years and the rate of assessment in each area.

Year.	Midnapore Canal.		Bakreswar Canal.		Eden Canal.		Salbund Scheme.		Damodar Canal Proper.	
	Income.	Rate of assessment.	Income.	Rate of assessment	Income.	Rate of assessment.	Income.	Rate of assessment.	Income (amount actually collected up to the end of 1937-38).	Rate of assessment per acre.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs. a.	Rs.	Rs.	Rs.	
1928-29 ..	1,83,663	3	..	..	43,374	2 4	..			
1929-30 ..	1,68,186	3	..	..	45,297	2 4	..			
1930-31 ..	1,60,362	3	..	..	40,126	2 4	..			
1931-32 ..	1,13,115	3	8,239	2 4	39,704	2 4	..			
1932-33 ..	69,916	3	10,076	2 4	35,701	2 4	..			
1933-34 ..	60,250	3	13,654	2 4	29,838	3 8	..		40,215	Rs. 3-8 for long lease.
1934-35 ..	31,133	3	17,741	2 4	24,555	3 8	..		92,816	Rs. 4-8 for kharif season leases.
1935-36 ..	29,427	3	15,478	4 8		3 8 (a)	..		3,68,208	
1936-37 ..	93,724	3	18,767	4 8	1,18,728	3 8	1,002	3	3,68,108	Under Bengal Development Act at Rs. 5-8 per acre. For old long lease at Rs. 3-8. A general rebate at Rs. 2-15 per acre has been granted by Government.*
1937-38 ..	1,50,381	3	12,527	4 8	38,929	3 8	9,730	3	69,857	

N. B.—Rates in Midnapore Canal have recently been reduced to Rs. 2 for long leases, Rs. 2-8 for covering leases per acre in Bengal Government Notification No. 12-I., dated 21st June 1938.

(*a*) For season lease at Rs. 4-8 per acre. The rates have been reduced from 1938-39, viz., for long lease at Rs. 3 per acre, for season lease at Rs. 3-8 per acre.

*For old long leases at Rs. 3 per acre, a rebate at as. 4 per rupee has been allowed. The rate under the Bengal Development Act has been reduced from Rs. 5-8 to Rs. 2-9 per acre.

The Bengal Development Act has been withdrawn from 1938-39. The revised rates are :—

(*i*) long lease at Rs. 3-8. (*ii*) for khariff season lease Rs. 4.

Q. 4. (*a*) Have the rates been adjusted in any area in consideration of the rise or fall in the price of paddy? (*b*) Are the terms of agreement with tenants, who are supplied with water, fixed, for a term of years, and is there any evidence that they discourage tenants from taking water? (*c*) What are the conditions which have to be satisfied before water is supplied?

Answer.—(*a*) Yes, *vide* Statement under question 2.

(*b*) Yes, under the Irrigation Act but not under the Development Act. There has been considerable agitation in favour of reduction of rates under the Damodar Canal.

(*c*) The land must be commandable and must have natural or artificial barriers to prevent waste. There must be sufficient supply available and for leases under the Irrigation Act and the tenants must execute an agreement beforehand.

Q. 5. What new projects, if any, are under consideration and what is the estimated capital and recurring cost?

Answer.—(1) *Damodar—Hooghly Flushing and Irrigation Scheme.*—It is combined Sanitary and Irrigation Scheme to flush and irrigate an area of about 350,000 acres in Burdwan, Hooghly and Howrah districts. Rough estimated cost of Rs. 2,73,00,000. Recurring cost about Rs. 6,20,000. Detailed project is under preparation.

(2) *Dwarkeswar Reservoir Project*—to irrigate about 1,74,000 acres in Midnapore and Burdwan districts. Detailed investigation completed and rough estimate prepared amounting to Rs. 1,19,81,726. Estimated recurring cost about Rs. 3,35,000.

(3) *More Reservoir Project*—to irrigate an area of about 4,61,000 acres in Birbhum, Burdwan and Murshidabad districts.

Detailed investigation completed and rough estimate is under preparation. Cost, of the order of Rs. 2½ crores. Recurring cost, of the order of Rs. 6 lacs.

(4) *Suvankar Danra Project*—to irrigate an area of about 16,000 acres in Bankura district.

Detailed estimate prepared amounting to Rs. 12,33,405. Estimated recurring cost Rs. 27,000.

(5) *Jhargram Project*—to irrigate an area of about 5,000 acres in Midnapore district.

Detailed estimate prepared amounting to Rs. 2,47,160. Estimated recurring cost Rs. 5,000. The work is proposed to be taken up in 1939-40.

*Q. 6. Are there any statistics to show the extent of the benefit derived by tenants who pay water tax?

*Answer.—*Vide* Statement below—

Estimate of yield, Grade A (alluvial and exceptional soil).

Damodar Canal Area.

	Pre-canal yield per acre.		Post-canal yield per acre.		Difference in yield per acre.	
	Paddy.	Straw.	Paddy.	Straw.	Paddy.	Straw.
	Mds.	Mds.	Mds.	Mds.	Mds.	Mds.
Zone 1.						
Sali (high) ..	16·91	33·82	31·80	79·59	14·89	45·77
Sali (medium) ..	21·81	43·78	36·81	96·77	15·00	52·99
Sali (low) ..	34·39	68·78	41·08	106·75	6·79	37·97
Sona (high) ..	10·20	20·40	24·02	48·04	13·82	27·64
Sona (low) ..	13·82	27·64	24·02	48·04	10·20	20·40
Zone 2.						
Sali (high) ..	14·49	28·98	27·26	68·22	12·77	39·24
Sali (medium) ..	18·69	37·53	31·55	82·95	12·86	45·42
Sali (low) ..	79·48	58·96	35·21	91·50	5·73	32·54
Sona (high) ..	8·74	17·84	20·59	41·18	11·85	23·70
Sona (low) ..	11·85	23·70	20·59	41·18	8·74	17·48
Zone 1.	Appendix A, Grade C (Clay loam).					
Sali (high) ..	10·67	16·43	27·00	62·02	16·33	45·59
Sali (medium) ..	16·91	31·21	26·50	60·44	9·59	29·23
Sali (low) ..	21·81	43·78	26·00	63·52	4·19	19·74
Sona (high) ..	10·00	16·00	20·46	32·73	10·46	16·73
Sona (low) ..	11·00	17·60	20·46	32·73	9·46	15·13
Zone 2.						
Sali (high) ..	9·15	14·10	23·14	53·16	13·99	39·06
Sali (medium) ..	14·49	26·75	22·71	51·81	8·22	25·06
Sali (low) ..	18·69	37·53	22·29	54·45	3·60	19·92
Sona (high) ..	8·57	13·71	17·54	28·06	8·97	14·35
Sona (low) ..	9·43	15·09	17·54	28·06	8·11	12·97
Zone 2.	Appendix A, Grade D (Red laterite soil).					
Sali (high) ..	8·95	17·54	20·46	32·84	11·51	15·30
Sali (medium) ..	13·43	24·75	22·54	39·54	9·11	14·79
Sali (low) ..	14·20	26·50	20·33	33·01	6·13	6·51
Sona (high) ..	8·07	12·90	16·51	26·41	8·44	13·51
Sona (low) ..	8·87	14·20	..	..	7·64	12·21

Q. 7. Would it be reasonable to give remissions of water rate in years when there is (*a*) excessive, or (*b*) sufficient rainfall?

Answer.—The criterion for granting remission should be the outturn. If crops are damaged by excessive rainfall or due to the insufficiency of canal supply remissions are generally granted. If however in a year of well-distributed rainfall canal water is not taken that should not constitute a valid ground for granting remission as in that case no irrigation scheme can pay its way in Bengal.

***Q. 8.** Has tube-well irrigation been tried in different parts of Bengal, if not should it not be tried in East Bengal for growing spring crops?

***Answer.**—(*a*) No tube-well irrigation at Government cost has yet been tried, but on a very limited scale it is being tried by private parties for cultivation of sugarcane. We have however no definite information on the subject.

(*b*) Yes, only after the sources of gravity irrigation have been exhausted. Feasibility of gravity irrigation which is much more economical and more lasting should be explored first.

Oral evidence of Mr. S. C. Majumdar, B.Sc., M.I.E., Chief Engineer, Communications and Works Department, Irrigation Branch, on 15th February 1939.

In reply to the Chairman, he said that there is great scope for irrigation improvements in Bengal. The chief obstacle has been lack of funds. He said that it is impossible to finance big irrigation schemes out of public revenue. The principle to be followed should be that people who benefit from the schemes should mainly bear the cost. He considered that if essential irrigation schemes are not undertaken, there is a danger that Government revenue may decrease owing to further deterioration in the productivity of the soil. This is particularly the case in western, northern and central Bengal, but not in areas in eastern Bengal which are annually flushed with silt-laden water.

Regarding Mr. Fawcus' note on deltaic formation, he said it is true that the level of land is rising but the level of the river bed also is rising with it. This would not lead to deterioration in eastern Bengal unless the rivers also deteriorate due to changes in their courses or otherwise, thereby depriving the land of the natural spill supply. He agreed that land formation is taking place in the estuaries of big rivers and mentioned that in other places erosion also takes place.

He agreed that there have been difficulties over the Damodar Canal. The tenants have objected to the payment of water rate on the ground

that it is very high. The figures showing the increase of yield from irrigated lands are based on results of crop-cutting experiments.

The area shown as irrigable in the Statement (*vide* supplementary question) should be constant. He said he would send in revised figures.

The reason for the fluctuation in the irrigated area is that it is at the option of tenants to take or not to take water. If there is a good rainfall, the tenants generally do not take water or else wait until the last possible moment before making their applications.

He explained that the term "zone" in the Statement given in answer to supplementary question 6, relates to rainfall divisions; that "sali" means low-lying land and "sona" means high land.

In reply to Maharajadhiraja Bahadur of Burdwan, he said that he was not aware of any reclamation of waste land by tractor. He would certainly differentiate between major and minor irrigation schemes, and agreed that it was impossible for the landlords or tenants to initiate and maintain major schemes. He knew of the proposal to excavate the Aurora Khal in Arambagh subdivision under the Development Act. That was a scheme which would be too expensive for the landlords to initiate. He did not intend to imply in his note that the landlords in Burdwan are responsible for the deterioration in fertility of the soil but had simply mentioned that the tenants had complained of their rents being too high.

He said that no solution has yet been found regarding the embankment policy. In rivers like the Damodar, the bed is silting up, and the embankments have had to be raised higher. He agreed that there has been serious agitation over the Damodar Canal rate and mentioned that there have been social boycott and satyagraha against the Department's collecting staff. In spite of that he would be in favour of taking up further schemes. The agitation has clouded the issue. Experiments have shown that irrigation produces an increased yield of 7 or 8 maunds per acre, the value of which would be about Rs. 13. Of this Government only claims Rs. 5-8 and has recently reduced its claim. Again, in years of very low rainfall the raiyats could hardly expect to get anything from the land but for irrigation. Further agitation will be of no economic advantage to the tenants but will lead to the cessation of development and further deterioration of the land.

In reply to a question interposed by Dr. Mukherji, he did not agree that there was any force in the tenants' claim that they could get the same increased yield without irrigation.

Asked about the method of financing schemes like the Suvankar Danra project, the cost of which is rather high as compared with the return that can be expected under the Development Act, he replied

that irrigation schemes must fall into two classes:—first there are the protective schemes in which Government should come forward with a portion of the capital met out of revenue as otherwise Government will probably have to pay more ultimately in the shape of famine relief; secondly there are the productive schemes which can pay their own way and which have to be financed out of borrowed capital to be recouped from the party benefited under the Development Act. The protective schemes must be carried out in places which are often affected by drought, distress, etc. Suvankar Danra and other schemes in Bankura district are protective schemes.

Questioned about indirect revenue he said that improvement in the economic condition of the people must also lead to increase of Government revenue indirectly in various ways. From this point of view it seems reasonable that Government should also bear a share of the capital cost even as regards the productive schemes.

In reply to Khan Bahadur Momin, he agreed that the fertility of the soil has decreased in Burdwan district. By providing irrigation facilities, the Department has restored the fertility which once existed. If nothing more is done than restoring the original fertility and the original rent measured in terms of produce still remains in force, it is a difficult question whether any further tax can reasonably be charged from the raiyats. That issue touches the broad question of the adjustment of the shares which Government, the landlords and the tenure-holders receive from the tenants' rent. According to the Development Act, the landlords are not required to pay any contribution. He agreed that to some extent, the landlord might be benefited by irrigation schemes because with the increased yield, the tenants might be in a better position to pay rent. He could not say personally whether the figures for the yield of paddy in the Statement (*vide* supplementary question 6) are correct. They were prepared under the direction of the Director of Land Records. When the first experiments were made the tenants objected, and Government ordered that further experiments should be carried out. These corroborated the estimate of increased yield prepared by the Chief Estimating Officer. In addition to crop-cutting experiments, other independent inquiries were made. The column of figures showing the pre-canal yield, is probably the average for five years. This could be ascertained from the report of the Chief Estimating Officer. He said he preferred irrigation by gravitation to irrigation from tanks, as in the latter method the water has to be valed out. The cost of storage is also high, as in flat areas like Burdwan practically the entire storage capacity has to be provided artificially by excavation at a heavy cost. In undulating country however, as in the western part of Bankura district, natural storage capacities of valleys may at some places be utilised by means of bunds, and water may be supplied to

lower areas by gravity. These bund irrigation schemes may be economically possible. But excavation of tanks at the cost of the State cannot be recommended except as an important item in the famine relief programme. There are many irrigation tanks excavated in the olden days when labour was very cheap but they have mostly dried up. Their improvements and excavation can only be made possible if the raiyats use their spare time, of which they have plenty, specially during the dry season, when earthwork is usually done, or if the Government undertake relief works in times of famine.

He agreed that the area irrigated from the Damodar Canal is not as much as it might be. The area depends on the amount of water available in the river in October. As the catchment areas of these rivers in western Bengal are within a short distance from the areas to be irrigated the distribution of rainfall is more or less similar. It therefore happens that in October when rain usually fails and irrigation is required, the river supply is insufficient to irrigate more than a very limited area, though considering the large volume of water flowing down the rivers earlier in the season it should be possible to irrigate three to four times as large an area, if a portion of the flood-water could be impounded in storage reservoirs and used in October to supplement the river flow. The cost of irrigation schemes from these torrential rivers in western Bengal has been high in the past because the question of storage was neglected, and the irrigable area had consequently to be limited to what could be irrigated by the dwindling flow in October. The Department however intends to follow the reservoir policy in future. Reservoirs are also necessary to encourage the cultivation of rabi crops, including sugarcane and perhaps also cotton, as for want of rain in winter months in West Bengal cultivation of such crops on a large scale is not otherwise possible.

The Department is now preparing another Irrigation project from the Damodar river and though the irrigable capacity of this river appears to have been fully tapped by the Damodar Canal scheme, it will be possible to irrigate an additional area of 350,000 acres, i.e., about double that of the Damodar Canal, by adding a comparatively small reservoir and other necessary diversion and distribution works.

In reply to Khan Bahadur M. Hosain, he said that the figures for capital outlay, given in the Statement (answer to supplementary question 2), are progressive totals. He had not totalled the figures in the statement but it might be true that about 2 crores of rupees had been spent to irrigate about 2 lakhs of acres in Bengal. The irrigated area is capable of increase: the difficulty is that the system is voluntary, and the tenants sometimes do not take water, or wait until the last moment. The Midnapore Canal was originally constructed mainly as a navigation scheme and the cost was necessarily high. Besides in none of the existing schemes

is there provision for storage and consequently the cost is proportionately very high compared with their irrigable capacities. He thought that irrigation by tanks would be more costly than the existing irrigation schemes. He agreed that in Madras there is extensive irrigation from tanks but pointed out that these tanks really consist of bunds put up across well-defined valleys to utilize the natural storage capacities and it is not necessary to provide artificial storage capacities by excavation as will be necessary for the flat areas in Bengal.

As regards the Statement given in answer to supplementary question 6, he agreed that the tenants had not accepted the figures showing the increased yield. One of the Department's difficulties is that the tenants do not apply for water until the last moment. It is difficult to finance schemes under such conditions. In the case of the Damodar Canal, the area under long leases is only about 33,000 acres. This is insufficient to pay even the recurring costs. In the Midnapore Canal the taking of water is voluntary. It was compulsory only in the Damodar Canal when it was worked under the Development Act but the operation of the Act has recently been withdrawn by Government.

In eastern Bengal, the fertility of the soil is recouped by river flushing. He agreed that floods are likely to be more frequent and more extensive in Bengal and that it is necessary to take preventive action. One means would be to control deforestation. Steps are being taken to establish an Inter-Provincial Commission consisting of representatives of Bengal, Bihar and United Provinces Governments with the object of controlling deforestation and encouraging afforestation within the catchment basins of the Ganges. Another means is the resuscitation of spill channels from the Ganges with the object of spreading the flood water over a wide area so as to reduce the depth of flooding. He did not agree that this would lead to a decrease in the cultivated area. Even if flooding is deep, it would be possible to grow the long-stalked paddy that is grown in eastern Bengal. He was not in favour of reclaiming land from beels prematurely. Reclamation of waste lands in southern Bengal may not be harmful so long as no embankments are erected in spill areas to protect them. Irrigation by tube-wells will be expensive and the possibilites of irrigation by gravity should be tried and exhausted before resorting to tube-wells.

In reply to a question interposed by Khan Bahadur A Momin, he said that on principle he is in favour of removing all embankments which obstruct the free flow of river spill, but it has to be considered that the people in those areas have got to live and consequently a compromise has to be made.

In reply to Dr. R. K. Mukherji, he said that he had no intention of suggesting that the landlords in Burdwan have deliberately imposed rents which are too high. If the rents, on inquiry, are really found to be rather high as compared with the present conditions, it probably means that when these rents were originally fixed the lands were more productive and though the productivity has decreased no adjustment of the rents has yet been made. He had, however, no definite knowledge on the subject as the matter was outside the scope of his official duties. His statement was more in the nature of a suggestion made with the object of drawing the attention of the Commission to this important aspect of the problem.

He did not consider that the Damodar Canal project was hastily conceived by Government. In western Bengal there is a real demand for irrigation: the distribution of rainfall is erratic and becomes more so the further one goes westwards.

By "irrigation" he did not refer to the flushing contemplated in other parts of Bengal: in western Bengal it is a real necessity. The tenants really wanted irrigation and there was volume of public opinion in support of it.

The irrigated lands are classified: some may yield somewhat less and some rather more than the calculated surplus yield on which the tax is charged. The scheme is sound in itself and he thought that the tenants' objections may be overcome.

He repudiated the suggestion that the department is responsible for deterioration of the soil through the policy of embankments as they were in existence before the British period. The only complaint which might be made against Government is that it might have detected earlier the deterioration which they have caused. The ideal solution in western Bengal would be to remove all the embankments, but the people who would be affected in those areas have got to be considered and in most of the cases the nearest practical approach to the ideal solution would be to retain the embankments and flush the enclosed area with silt-laden flood water admitted through controlled escapes constructed on the embankments.

The Department is preparing a flushing scheme for the Damodar-Hooghly-Howrah area which will flush and irrigate about 3½ lakhs of acres. The scheme will be ready during this month. For the purpose of relieving the flood congestion in the Damodar it would not be desirable to connect this river directly with the Hooghly as that would flood Calcutta and other business interests on the Hooghly. The carrying capacity of the Hooghly is limited. The existing Damodar outfall is near Uluberia. By bringing it into the Hooghly above Calcutta the additional water would have to be of the order of say 200,000 cusecs in order to offer any material relief to the Damodar flood which

measured about 650,000 cusecs in 1935. This would be beyond the capacity of the Hooghly.

In addition to the flushing scheme mentioned above, the Department has other schemes under preparation such as the More Reservoir project, Darkeswar Reservoir project, Suvankar Danra project, etc.

In central Bengal the Department is trying to improve conditions by improving spill channels such as the Bhagirathi, the Mathabhanga and the Jalangi. A contour survey is now being made.

In northern Bengal deterioration is mainly due to the diversion of the Teesta river.

In eastern Bengal the floods, the erosion and the improvement of water communications are the main problems. A river training laboratory has been proposed which, it is hoped, will be successful in finding solutions to many of the complicated river problems in Bengal.

In Midnapore the decrease in the irrigated area is due to the fact that it is optional to take water. The non-co-operation movement might also have been responsible. Originally the Midnapore Canal was intended mainly for navigation and irrigation was only a subsidiary object. Consequently the capital cost was unduly high and as navigation receipts have fallen very low owing to competition by railways it can never pay its way.

In reply to Khan Bahadur Hashem Ali Khan, he said that he did not agree that the large *bil* area extending from the north of Bakarganj district into Faridpur is lying useless for want of drainage channels. There is paddy growing in that area, but the main difficulty is lack of communications. In the centre of the *bil* area the level of the land is too low to be reclaimed. Reclamation should not be undertaken until the level is raised naturally by siltation. There is water hyacinth in that area, possibly due to the fact that the drainage is inadequate.

He did not agree that the fertility of the soil in Bakarganj has deteriorated. The economic conditions might have been adversely affected by the pressure of population and fall in prices of the agricultural produce. He would not be prepared to say that the rivers in Bakarganj and Faridpur are gradually dying. There are some instances no doubt of rivers having deteriorated but nothing to the same extent as in western and central Bengal.

Two or three hundred years ago western Bengal was probably more prosperous than eastern Bengal. Now the condition has been reversed. A comparison of the incidence of land rent between the two parts of the province as fixed at the time of Permanent Settlement or earlier will probably corroborate this view.

He found it difficult to believe that the soil in eastern Bengal, which is annually flushed by silt-laden flood water, was more fertile 20 or 30 years ago than it is now. He thought conditions are probably much the same.

He agreed that the steamer route from Madaripur to Khulna has deteriorated at some places but pointed out that the rivers in Khulna are mostly affected by the central Bengal spill channels which have all deteriorated. By this he meant the channels between the Gorai and the Bhagirathi rivers. It is true that some rivers in Faridpur and Bakarganj districts between Madaripur and Gopalgunge have also deteriorated.

As regards the formation of a Waterways Board, his view was that it is impossible to isolate drainage from waterways, and personally he was not in favour of vesting the control over rivers in a commercial body which will be mainly interested in navigation and river-borne trade, and might neglect drainage interests because they do not produce any revenue.

He agreed that embankments have been raised in Bakarganj district. He had asked Government for extra staff to supervise that area as the embankments affect drainage and public health. In the Sunderban area an agreement has been reached by which the Khas Mahal Department consult the Irrigation Department regarding the construction of any embankments.

He agreed that char lands should not be settled when they are so low that cultivation is not possible without embankments.

In Bakarganj and Khulna districts the process of land formation is continually going on. The Ganges now flows about 150 miles through Bengal from Rajmahal: if it has to flow an additional 10 miles, it will not make much practical difference. It will be centuries before it deteriorates.

In reply to Sir Fredric Sachse, he said that the recurring expenditure in the Damodar Canal is now about Rs. 3½ lakhs. If the water-rate was to be fixed on the basis of the years of scarcity only so as to recoup the above charge it would become prohibitive. The cost per acre could be reduced if the storage schemes, which he had previously mentioned, were introduced.

Smaller schemes as advocated by the Maharajadhiraja Bahadur of Burdwan could be taken up with advantage at some places but to arrest the growing deterioration in health and productivity of the soil schemes should be planned and executed on a comprehensive scale.

The Suvankar Danra project would cost Rs. 77 an acre: the cost is high certainly but the scheme is a protective one. The area suffers from an erratic rainfall on unproductive soil.

He agreed that it is desirable to bring waste lands under cultivation, but pointed out that Government cannot concentrate on areas of waste lands when help is needed in areas already brought under cultivation.

He agreed that in the United Provinces irrigation from wells by bullock power is common, but said that this irrigation is carried out for rabi crops which require very little water compared with paddy. Before introducing tube-wells in the United Provinces the possibilities of irrigation by gravity were exhausted. When he was asked about the possibilites of irrigation from tube-wells he was under the impression that the reference was to irrigation of paddy lands. He agreed that it would be possible to irrigate rabi crops from tube-wells.

In Bengal the water rate is comparatively low. In the United Provinces it is much higher and in Madras as much as Rs. 15 to Rs. 18 per acre is paid at some places as the consolidated rate for water and rent.

In Bengal most tenants can grow some crop without irrigation facilities and it is not therefore likely that tube-wells for irrigation rabi crops will be in large demand unless power can be provided in the rural areas at a very cheap rate.

Before commencing the Damodar scheme Government must have been convinced of its necessity, and must have been aware of the fact that crops were lost once every five years or so due to scarcity of rainfall.

In the khas mahal lands also embankments had been erected, but other landlords, apart from Government have done very much more in this respect: Government maintain about 1,500 miles of embankments whereas the mileage maintained by zamindars is many times this figure.

The chars which have been settled and can grow crops without embankments are not objectionable. They are objectionable when embankments are erected to cut off the river spill.

In central Bengal the problems of Malaria and decrease of fertility can never be solved by mere tinkering, but a comprehensive scheme will have to be taken up.

In reply to the Secretary, he said that in the Sunderbans the river beds have risen, and by erecting embankments artificial conditions have been created.

In areas like Midnapore where the taking of water is voluntary, some tenants have given agreements for varying periods which may be one year or five or seven years.

He agreed that there might have been complaints from the tenants that when they asked for water it was not supplied in time. This might have been due to the fact that owing to the raiyats not taking canal water for a long time the Midnapore Canal system was not being maintained efficiently as a measure of economy. This was the position when in 1934-35 due to great scarcity of rain there was a sudden demand and applications were received for supply of canal water to about 40,000 acres. Naturally there was difficulty in coping with this sudden demand and though the departmental staff tried their best some complaints were probably unavoidable.

He agreed that it would be the most equitable method to assess water rate in terms of produce and to realize its value at the market rate prevailing in the collection season. But there are difficulties in the way of fixing the market rates which will probably vary from place to place and which are likely to be disputed. The system may also lead to corruption.

Reply by Khan Bahadur Maulvi A. M. Arshad Ali, Registrar of Co-operative Societies, Bengal.

Q. 83. There is no really efficient organisation at present for providing credit facilities to the agriculturists. The only organised system which is working in this direction is the co-operative societies but it deals with only a small percentage of the agricultural population not more than 6 per cent. and it caters only for seasonal agricultural loan needs of the cultivators. Arrangement for providing long-term loans to the agriculturists for redemption of their prior debts and for improvement and purchase of lands has been only recently started by organisation of 5 Co-operative Land Mortgage Banks.

Besides the 5 Co-operative Land Mortgage Banks the agricultural credit movement comprises 1 Provincial Bank, 116 Central Banks and 19,896 primary agricultural societies with a membership of 4·46 lakhs in the primary societies. The working capital of the primary societies is Rs. 5·94 crores of which Rs. 353 crores have been borrowed by the societies from the Central Banks and outside public. The usual borrowing rate of these societies from the Central Banks is 9$\frac{3}{8}$ per cent. and their lending rate to their members is 11 per cent. Attempt is, however, being made by the Central Banks to effect a reduction in the interest charged from individual borrowers by reducing their own lending rate to the societies.

This phase of the movement has been severely affected by the continued economic depression which has considerably reduced the repaying capacity of the borrowing members. The 'overdues' have increased in large proportions. The operation of the Bengal Agricultural Debtors Act has further contributed to the immobility of the loans in the societies. As a result the financing banks have generally stopped further advance of loans to the societies. For these reasons the majority of the societies has now ceased to be effective rural credit agencies.

The other credit agency working in the province is the individual moneylenders who are not organised in any form. They dealt with by far the largest number of agricultural population. They supplied credit to the agriculturists for all purposes—productive and unproductive—at a rate of interest generally not less than 24 per cent. The rate was higher still before the introduction of co-operative system. Due to the operation of the Bengal Agricultural Debtors Act and the amendments of the Bengal Tenancy Act the private moneylenders are now generally disinclined to advance loans to the agriculturists which has resulted in the contraction of credit in the rural areas. In most places the cultivator cannot now raise capital even for his ordinary agricultural operations except by selling his land outright.

The tendency of profiteering is so inherent in the private moneylending system that though it has been tolerated so long in the absence of any better system it is impossible to improve it to a useful credit agency for the economic benefit of the agriculturists even with strictest regulations. Private moneylending must degenerate itself into usury as it has happened in all countries at all times. The most insurmountable disadvantage which makes private moneylending unsuitable as an effective rural credit agency is that it is unconcerned with restriction of loan to productive or necessary purposes. Rather, instances are not rare that private moneylenders encouraged unnecessary loans. Further, the lack of keenness among the private moneylenders to insist on regular repayment of loans so long as they remain secure and fetch interest has been largely responsible for accumulation of agricultural debts and over-indebtedness of the agriculturists. Private moneylending is also responsible for making agriculture unprofitable by charging high rate of interest or high proportion of produce as interest on mortgaged lands.

In the life of an agriculturist credit is an indispensable factor. He cannot carry on without credit. Even if all his old debts are paid off he will still require credit for improvement of his economic condition and he must do something to increase his income. In the circumstances, the importance and urgency of establishing or reorganising a rural credit agency for the benefit of the agriculturists cannot be over-rated and that agency to be economically useful to them must be free from profiteering spirit.

The cultivator generally requires three kinds of loans, viz. (1) short-term loan not exceeding one year for raising crop and for other productive purposes, (2) intermediate term loan not exceeding 3 years for purchase of cattle, building house and minor agricultural improvements, and (3) long-term loan for over 10 years for release of his mortgaged property, redemption of prior debts and for purchase and major improvement of lands. Any effective credit agency will have to recognise these different needs of the cultivator and make provisions accordingly.

In my opinion there cannot be any better organised agency for supply of these different form of credit needs to small agriculturists than the co-operative societies. For short and intermediate term loans, the ordinary agricultural societies on unlimited liability basis are most suitable while for long-term loans the Co-operative Land Mortgage Banks are likely to prove useful. A co-operative society is preferable to any other system as effective rural credit agency for the following reasons :—

(*a*) In a co-operative society there is no profiteering spirit and consequently the interest charges on loans must always be as low as possible.

(*b*) The personal contact among the members and their mutual knowledge of one another's economic condition is the most important characteristic of a co-operative organisation which tends not only to improve the business side of the societies but also to foster a spirit of mutual help and sympathy among them.

(*c*) The surplus of profit or interest realised from the members after meeting the obligatory charges are available in a co-operative society for creation of a reserve fund which may ultimately make the society self-sufficient and independent of outside borrowing.

(*d*) There is a scope for encouraging thrift and savings by the members.

(*e*) It is only through a co-operative society that unproductive borrowing by agriculturists can be adequately restricted and proper use of the loan taken and punctual repayment can be insisted on.

Unless unproductive or unnecessary borrowing can be adequately restricted no rural credit agency can be effective. The Agricultural Debtors Act may give relief to the agriculturists at one time but not always. Thus it is essentially necessary that an effective rural credit agency should not only function as a moneylending concern but also as a corrective and educative agency by refusing unnecessary loans and by insisting on proper use and punctual repayment of loan. No other agency except the co-operative societies has the necessary moral element to enable it to faithfully and satisfactorily perform these functions and advance loans for the economic benefit of the cultivator.

At this time when there has been a contraction of credit in the rural areas and the private moneylending system has well-nigh broken down it is most desirable to establish a network of agricultural credit societies throughout the province for advancing short and intermediate term loans to the cultivators for their ordinary agricultural operations and other productive purposes. For long-term loans Land Mortgage Banks may be extended to all subdivisions in the province. The 5 Land Mortgage Banks that have been started are doing quite satisfactory work although their progress is slow. It is natural that the progress of these banks should be slow because it is necessary to examine carefully and minutely the condition of the assets of the applicants for long-term loans as also to come to a favourable settlement with his creditors amicably before the loan is sanctioned. The collection from these banks has been very encouraging and in no case it has been necessary to enforce certificates for collection of instalment due.

It may be questioned that the past history of co-operative movement in this province does not fully justify the claim that the co-operative societies would be the most effective rural credit agency. To this my reply is that the co-operative movement has not really been given a fair trial in this province. In the first place, the Co-operative Societies

Act of 1912 was defective in that it did not provide for any check whatsoever between normal working and liquidation.

Co-operation is an ideal and in actual practice it must often fall far short of the standards aimed at any details inconsistent with co-operative ideals have often to be accepted in the hope that they may lead to better things. Such better things can be attained by insistent education of the members of societies on co-operative principles assisted by corrective measures through legislation. The Act did not provide for any corrective measure for checking abuses. At the same time, there was no arrangement whatsoever for educating the members of societies. The supervision was also extremely inadequate which will be evident from the fact that even till 1937 an Assistant Registrar had in his charge near about 5,000 societies including large Central Urban Banks and an Inspector was in charge of 400 to 500 societies. The staff of the Department remained almost the same when the number of societies was 8,000 as when it rose to 24,000. Lastly, the movement was overtaken by a sudden unprecedented economic depression just when it was gradually expanding its activities and consolidating its position.

The position has substantially changed for better to-day. A new Co-operative Societies Bill with suitable provisions relating to restriction of loans, their use and repayment, for checking abuses and encouraging orderly development of the movement is now before the provincial legislature. Arrangement for co-operative training of Departmental and Central Bank staff and also of office-bearers and members of societies has been taken up in right earnest with the help of grant received from the Government of India for the purpose. The staff of the Department has also been increased on the basis of controllable number of societies and the principle of automatic addition of staff with the increase in the number has been accepted by Government. Separation of audit from administration has been taken in hand. The nature of business by the Central Banks with the village societies has been radically changed restricting the loans for productive purposes only for a period usually not exceeding one year. Steps have also been taken to link up production and marketing with credit. A rural reconstruction scheme embodying an economic and moral uplift programme to demonstrate the concrete benefits of co-operation appealable to the illiterate minds has been introduced and a special staff has been sanctioned by Government for the purpose. Lastly, a comprehensive scheme for rehabilitation of the co-operative credit facilities to the agriculturists is now under the consideration of Government.

The aforesaid facts will, I am sure, carry a sufficient degree of conviction to hope for better working of co-operative societies in the future. The movement should be encouraged to improve and expand its activities so as to occupy the position of an effective rural credit

agency. Expansion of credit societies for advancing crop loans may be taken up at once to give relief to the cultivators in those areas where the contraction of credit has been acute.

Q. 84. It is not possible to say accurately what percentage of gross profit of land goes to the mahajans as interest. It is estimated that about 80 per cent. of the occupancy raiyats are in debts and the total amount of their debts is about 100 crores. The amount of their debts varies in different proportions. Some have debts up to 2 years' income while others have up to 4 or 5 years' income. On the gross value of produce which is estimated at 95 crores the average interest paid by 80 per cent. of the occupancy raiyats to the mahajans will be near about 25 per cent.

The drain of interest charge on the loans incurred for annual agricultural operation can only be stopped by expansion of co-operative credit societies combined with marketing facilities for the collective marketing of produce. The short term capital required for the purpose should not bear interest at more than 3 per cent. so that the primary borrowers may get money at 6½ per cent. The collective marketing will increase the price of the produce and the advance taken by the cultivator for raising the crop will be for a short period not more than 9 months. Both these will effectively minimise the drain of interest charge.

The interest charge on the existing unproductive debts of the cultivator can be substantially reduced by the successful working of the Debt Settlement Boards.

Q. 85. Replies to most of these questions may be seen in the replies to question 83 and supplementary question 2.

I have only to add that the rate of interest charged by the co-operative societies from the agriculturists which is 11 per cent. at present is considered too high. At this rate the agriculturists pay at present only 70 to 75 per cent. of the annual demand of interest. It is not expected that they will be able to pay the full annual demand of interest unless the rate is reduced to 7½ per cent. The co-operative societies have benefited the agriculturists by charging a lower rate of interest than the mahajans as also by compelling the mahajans to reduce their rate.

Q. 86. To this question I can only say about the position of settlement regarding the debts of co-operative members. The total number of applications for settlement made by co-operative members was 14,121 involving a debt of Rs. 35 lakhs. Out of these applications the Debt Settlement Boards have considered 424 applications involving a debt of Rs. 1 lakh and odd. The total number of awards finally approved is 54 involving a debt of Rs. 10,421. From these figures it will appear that the progress has been very slow.

The defects of the Board are:—

(1) want of really honest and capable workers among the village people for forming the Board;

(2) their general inability to understand the principles of law they are required to administer and to assess the repaying capacity of the agriculturists on an equitable basis;

(3) their inability to compel the attendance of all the creditors.

The unusual delay in the disposal of the cases has not only resulted in contraction of credit but has also given a handle to the recalcitrant debtor to avoid payment even when he can pay according to his repaying capacity.

For improvement of the system I would suggest that the conciliation should be made by a whole-time responsible Government official with knowledge of law and there should be a credit agency to take over the adjusted debts for repayment in cash to the creditors all at once where possible or in instalments over a reasonable period. This will really benefit the agriculturists. Financial assistance from Government will certainly be necessary for making the Boards really effective with a credit agency behind.

Q. 87. The establishment of agricultural banks by Government in every union is in my opinion impracticable and undesirable. There is the danger of Government becoming unpopular in financing the agriculturists directly for their normal credit needs. The agricultural loans are given only as an emergency measure of relief and in very small sums geneally not more than Rs. 10 which the agriculturists can easily pay by making small savings in their annual budget. This measure makes the Government popular. But the supply of his normal agricultural credit will necessitate the advance of a larger sum for realisation of which in case of default some sort of stringent measure will be necessary, the introduction of which will make the Government unpopular. Further, the normal responsibility of Government will be very great if it once undertake to supply rural credit. While it is possible for a moneylender or a credit institution to refuse the credit for reasons for which he or it will not be responsible to anybody in the case of Government it will not be so easy to refuse the credit without being unpopular. Government will have to raise large loans not less than Rs. 10 crores for short-term agricultural purpose and Rs. 50 crores for long-term purpose to meet the requirements of the agriculturists. The administration and management of the banks by Government official is likely to be more costly than management by non-official organisations which will increase the overhead charges on the borrowers. There is also the danger of the policy of Government banks being controlled by political influence at the sacrifice of banking principles which might involve Government into a serious embarrassment.

At the same time it is likely that the Government revenue and landlords' rent which are the first charges on the assets of the agriculturists may be endangered as it will be difficult for Government to give preference to the payment of these dues ignoring the Government loans. The cultivators may also take advantage of this position and pay one and default the other. Their respect and that of their superior landlords towards punctual payment of Government revenue is likely to be shaken. Lastly, it will be discouraging public enterprise and banking habit among the people if Government take up direct financing to the agriculturists.

Q. 88. There are 5 Co-operative Land Mortgage Banks functioning in this province. The total number of borrowing members of these banks is 1,107. The loans issued to them amount to Rs. 5,20,018. The total number of applications for loans presented to these banks from their very start was 4,501 for a total amount of loan of Rs. 22·38 lakhs. The banks investigated and considered 4,061 applications for a total loan of Rs. 20·15 lakhs. The number of applications accepted for loans was 1,522 for a total amount of Rs. 7·39 lakhs. The number of applications rejected was 2,256 for a loan of Rs. 10·87 lakhs. They were rejected in consideration of (1) uneconomic holding and unsatisfactory repaying capacity, (2) unsatisfactory conciliation, (3) unwillingness of co-sharers to join, (4) inability to furnish sureties, and (5) other grounds. The largest number of applications have been rejected for uneconomic holdings and unsatisfactory repaying capacity as also for unwillingness of co-sharers to join.

The primary Land Mortgage Banks borrowed the capital required from the Bengal Provincial Co-operative Bank, Ltd., at 5 per cent. and lent out to the members at 8¾ per cent. The loans have been advanced on the security of first mortgage of the lands of the borrowing members, and the maximum amount of loan to any individual member is limited to 50 per cent. of the value of the property mortgaged. In actual practice loans have been given not more than 38 per cent. of the value of property mortgage. The debts of the members have been amicably conciliated and reduced on an average by 35 per cent. by negotiation with their creditors.

During the year 1937-38 the annual instalments due from the Land Mortgage Banks was Rs. 28,126 principal and Rs. 35,514 as interest. The collections on account of principal and interest have been Rs. 32,753 and Rs. 32,659, respectively. The excess collection of principal loan is due to advance payment of instalment made by borrowing members. The overdues have been very small and mostly due to damage of crops by flood during the year a circumstance over which the members had no control.

In my opinion the Land Mortgage Banks have worked fairly satisfactorily although their progress is slow as a result of minute examination and scrutiny into the assets and repaying capacity of members applying for loans. The rate of interest charged from the borrowing members of these banks is 8¾ per cent. which is considered high. In Madras the rate of interest charged from members of Land Mortgage Banks is only 5 per cent. The rate of interest in this province should be reduced to at least 6½ per cent. and this is possible if the capital is raised by debentures guaranteed by Government both with regard to principal and interest.

For giving the benefit of Land Mortgage Banks to a large number of agriculturists, it is necessary that the banks should be multiplied at the rate of one bank for each subdivision for the present.

Supplementary Questions and Answers.

Q. 1. In what year were village co-operative Banks, Urban Banks and Central Banks first started? How many of each are there now?

Answer.—Village Banks and Urban Banks were first started in 1904-05 after the Co-operative Credit Societies Act (1904) came into force. Central Banks were first started in the year 1913 after the Act of 1912 came into force.

The number of societies of each class on 30th June 1937 was as follows:—

(*i*) Village societies	...	19,923
(*ii*) Urban Banks	...	555
(*iii*) Central Banks	...	116

Q. 2. Was the original objective of the Department to clear off the existing debts of the members of the village banks? To what extent had this policy succeeded by the end of 1928 when the economic depression started?

Answer.—It was not the objective of co-operative societies or of the Department to take over the existing debts of the members of the societies, for the process involved raising of long-term capital and granting long-term credit. The primary object of co-operative societies was to advance agricultural loans to members at a lower rate of interest than those charged by the mahajans; and it was expected that when the members got credit on more reasonable and accommodating terms they should be able to pay off their old debts to outside creditors gradually out of their surplus income and savings. In the *bona fide* attempt of any member to repay his outside debts out of his surplus income and savings the co-operative society assisted him when convenient with loans for the purpose.

Q. 3. Has the number of members of the majority of rural banks remained the same as at the beginning? Are their total debts less or more?

Answer.—The average membership in rural societies gradually decreased from 25·4 in 1924 to 22·3 in 1937. Their average debt per head increased gradually from Rs. 70 in 1924 to Rs. 93 in 1934. Thereafter, it is decreasing every year and in 1937 it is Rs. 88·7.

The total number of village societies in 1924 was 8,347 with a membership of 2·12 lakhs. Their total co-operative debt was Rs. 148·39 lakhs. In 1937 the number of societies rose to 19,896 with a membership of 4·46 lakhs. Their total co-operative debt was Rs. 395·29 lakhs. The membership declined mainly during 1930 to 1937 which was to a great extent due to the stoppage of fresh loans by the societies to their members. Those who cleared their debts during this period refused to continue as members nor it was possible to enlist new members. The increase of debts is partly due to capitalisation of overdue interest in many instances but no interest was charged on capitalised interests.

Q. 4. Is it true that the present financial position of many Central, Urban or Rural Banks is critical? Is this entirely due to the depression? To what extent is it because loans were granted without adequate enquiry regarding security and that they were not restricted to productive purposes?

Are the officers of the Department responsible for the policy of the Banks or their dealings with individual members, or only for audit?

Answer.—The present financial position of many central and rural societies is critical. It is 90 per cent. due to economic depression and falling off of the repaying capacity of the cultivators. At the time when the loans were advanced security for these loans were generally considered sufficiently in view of the prevailing prices of the land and agricultural commodities. There were some instances in which loans were granted without security but they were not many. The loans were granted apparently for productive purposes but it was not generally examined on subsequent verification whether the loans were utilised for productive purposes.

The officers of the Department are not allowed to interfere into the internal management of the banks as these are autonomous bodies. The Registrar issued numerous circulars relating to (1) borrowing and raising of capital, (2) lending to members of societies, and other investments, (3) maintenance of fluid cover and building up of reserve fund, and (4) sound banking principles. These circulars were not mandatory and in the prosperous times of the banks they were not carried out with accuracy. The statutory duty of the Department is

registration of societies, superior inspection and liquidation. The Department can give the policy but has no power to enforce.

Q. 5. If the Department has not been as successful as was expected, what in your opinion are the general reasons? Has there been sufficient co-operation with the Collectors and other departments? What defects have there been in the machinery, the supervision, and the law? What steps are now being taken to remove these defects?

Answer.—I have replied to this question in my reply to question 83. The only thing I would add here is that the Collectors and Subdivisional Officers generally co-operated with the Department by accepting the Chairmanship of co-operative societies particularly of Central Banks and special type societies. But the time at their disposal necessary for the improvement of a bank was generally very little.

Q. 6. Have there been any important changes of policy in the history of the Department?

Answer.—There has been important changes of policy in the Department recently and it is expected that the position will improve in the future if the departmental scheme for the treatment of the overdue debts of the members of primary societies is approved by Government.

Q. 7. What is the actual number of rural banks which have gone into liquidation? What proportion of their dues has been recovered and how much has been found to be irrecoverable? Has the principle of joint liability been a success? If not, why not?

Answer.—Since the inception of the movement 3,249 societies were liquidated. Out of these the proceedings of 1,355 societies are now pending. The records of the societies of which the proceedings have been closed have not been maintained. It is therefore not possible to say what proportion of the dues were actually recovered. But generally the Registrar did not permit the closing of the proceedings till the assets of the liquidated society are not realised to the extent of its outside liabilities. The principle of joint liability has been fairly successful before the depression years but during the depression period even by enforcing joint liability collections in liquidated societies did not improve on account of fall in the prices of land, want of suitable buyers and the inability of the liquidator to hold on the land indefinitely which involved a good deal of cost.

Q. 8. What is the view of the Department as regards the activities of the Debt Settlement Boards? Do they show signs of fulfilling the objects for which the Act was passed? Have you any improvements to suggest (*a*) in the law, (*b*) the working of the Boards?

Answer.—*Vide* reply to question 86.

Q. 9. How many Land Mortgage Banks are there? How much money have they given out? What interest do they charge? What are the rules as regards security?

Answer.—*Vide* reply to question 88.

Q. 10. Was it a mistake to fix the rate of interest as high as 18¾ per cent. on loans to individual members of rural banks?

Answer.—The rate of interest at 18¾ per cent. on loans to individual members of village societies was fixed at a time when mahajans' interest varied from 37 per cent. to 75 per cent. and the repaying capacity of the agriculturists was good. 18¾ per cent. was not high at that time. Further, this rate was considered reasonable as it was within the repaying capacity of the agriculturists to pay and as it brought in sufficient income to a society to build up its reserve fund. The bank rate at that time was 6 per cent.

Q. 11. It is said that as a result of the establishment of Debt Conciliation Boards, agricultural credit has dried up. If this is so, are there any other reasons as well?

If owing to depression, mahajans have failed to realise any considerable portion of their dues, are they still in a position to lend? If so, how are they employing the money at their disposal?

Answer.—The agricultural credit has dried up for the following reasons:—

(1) operation of the Debt Settlement Boards;

(2) amendment of the Bengal Tenancy Act;

(3) fall in the price of lands and repaying capacity of the agriculturists due to economic depression; and

(4) propaganda for remission of the monetary obligation of the agriculturists.

Although the mahajans are in difficulty to realise their dues, still it is believed that they have surplus money in stock which they can lend out to the cultivators. This is evident from the fact that the cultivators can obtain money from the mahajans either by pawning their gold or silver ornaments or by outright sale of their lands. The surplus money in the countryside belonging to the mahajans or others are now being invested in the post offices where the deposit has considerably swelled up during recent years. The mahajans are also investing their surplus money in the Joint-Stock Banks which are being registered in large numbers.

Q. 12. Is there any certainty that cultivators as a whole have suffered because they cannot obtain temporary accommodation? Has any appreciable area of land gone out of cultivation on this account?

Is it true generally that families with considerable areas of land and good incomes are the most heavily encumbered with debt?

Answer.—There is a general discontent among the cultivators throughout the province on account of contraction of rural credit. No appreciable area of land has gone out of cultivation because the cultivators work as labourers on their own lands or cultivate their own lands as bargadars.

I have no statistics in support of the suggestion that families with considerable areas of land and good incomes are the most heavily encumbered with debt.

Q. 13. Why do the mahajans lend money to small tenants without sufficient security? Is it because they are aiming at securing possession of their land?

Answer.—The mahajans lend money to tenants without sufficient security because residing in the same or neighbouring village they are fully aware of the habits, tendencies, financial solvency and sources of income of their debtors. They can easily have a share of the produce of the debtors. They do not always aim at securing possession of the land of their debtors.

Oral evidence of Khan Bahadur Maulvi A. M. Arshad Ali, Registrar of Co-operative Societies, Bengal, on 23rd February, 1939.

(Mr. E. W. Holland, I.C.S., Secretary, Co-operative Department, and Mr. R. Roy, Deputy Registrar, Co-operative Societies, were present.)

In reply to the Chairman, Mr. Holland agreed that the co-operative system has only touched the fringe of the agricultural population and that in the past the policy of the Department had been mistaken. One mistake was that no distinction was made between short-term, intermediate and long-term loans. The co-operative system was worked with village societies without any paid staff; consequently careful audit and supervision were necessary but the Department had not been in a position to provide them and as a result many societies got into difficulties and have gone into liquidation. The whole system will have to be rebuilt. Short-term loans to be recovered after each harvest are preferable and long-term loans should be operated by Land Mortgage Banks. The audit staff has been recently increased. As regards supervision, much depends on the Bill which is now before the Assembly—if passed it will give wider powers to the Department. Formerly one difficulty was that although the Registrar was in a position of responsibility, he had no powers of interference short of liquidation and his circulars could be disregarded by societies with impunity.

There are suitable people in the villages to carry out co-operative work but previous to the last two or three years they had never been trained. The Department has now a training scheme and has established a training school at Dum Dum. About 118 Inspectors and 200 auditors have been trained up to date. There are at present about 19,000 agricultural societies. The present inspecting staff is larger than it was, but it is still inadequate. The Audit Branch is being separated from supervision. Previously both of these were carried out by the same officer. It is hoped that this will be effective in checking defalcations. The main reason for defalcations has been that the same man has held the post of Secretary and Treasurer for many years continuously, although according to the rules, three years is the maximum period. The rule has been enforced more strictly during the last year or two. Recently the Secretary of the Diamond Harbour Urban Bank applied for an extension. This was refused. He then absconded and a defalcation was discovered. In future the Registrar will be able to compel the reconstitution of societies if it is found that things are going wrong. He considered the principle of unlimited liability is sound but it is not possible to spread co-operative methods rapidly. In the past, they have never been instilled or thoroughly understood by the people. One reason why the co-operative system became unpopular was that the larger portion of loans from Central Banks were appropriated by a few influential men. He thought that the system will ultimately be successful, unless there is a general movement designed to stop the sale of defaulters' holdings.

He explained that the funds of societies are derived from Central Banks which in turn get money from the Provincial Bank and from deposits. Nowadays not much deposits are being made. The interest on deposits used to be high—some years ago it was 7 per cent. on three-year deposits and varied between 5 and 8 per cent. It is now about 4 per cent. which is rather higher than the interest on Government paper. Central Banks charge 7 per cent., leaving a margin of 3 per cent. for cost of management. Rural banks used to borrow money from the Central Banks at 9¾ per cent. and lent out at 15½ per cent. The margin of 3 per cent. is sufficient to run Central Banks. The Provincial Bank supplies the Central Banks and derives its money from private deposits. There is no Government money: if Government were to finance the Provincial Bank, much more stringent rules would have been necessary.

The general idea used to be that cultivation could not be carried on without taking a loan. It is very difficult to say what percentage of cultivators actually need loans for agriculture but for the last five years they have borrowed practically nothing. Rural credit became contracted five years ago and the Bengal Agricultural Debtors Act further restricted it. He considered that till there is a network of co-operative societies the mahajans are necessary to agricultural economy. If the

co-operative system could be extended, the result would be that the mahajans' interest would be kept down to reasonable limits but for a long time to come, the mahajans will be necessary. In the past, rural societies have been too hastily established and without proper enquiries. Loans were not always restricted to productive purposes. If legislation could be passed to provide that no one can borrow beyond his repaying capacity, it would be most advantageous. The Land Mortgage Banks have derived their money by borrowing from the Provincial Bank. In reply to questions put by the Chairman on behalf of the Maharajadhiraja Bahadur of Burdwan, Khan Bahadur Arshad Ali said that the Central Banks have stopped advancing loans to societies owing to the Bengal Agricultural Debtors Act. This Act has adversely affected the co-operative movement. The same is true of the Money Lending Act which has recently emerged from the Committee stage and which has included within its scope the co-operative movement. But subsequently the Legislature excluded co-operative societies from the scope of the Bill. So far as the Bengal Agricultural Debtors Act is concerned, he thought that the position might improve to some extent as a result of the recent rule that short-term loans cannot be reduced or extended beyond the stipulated period. He agreed that credit has dried up as a result of the Bengal Agricultural Debtors Act and the provision of the Amended Bengal Tenancy Act relating to usufructuary mortgages. Mahajans have now less money than they had and they have collected little in the last two years. He could offer no suggestion for an immediate remedy. He thought that most money borrowed by agriculturists is used for cultivation or for subsidiary purposes but he could not say what proportion of loans was used for marriages and other social ceremonies. He agreed that the banks should not advance loans for the latter purposes.

In reply to the Chairman, Mr. Holland said that in his opinion, it is better to make it difficult for people to borrow rather than easy. In the past there had been a tendency to give loans far too freely and some people even regarded borrowing as a normal source of income.

In reply to Khan Bahadur M. Hosain, Khan Bahadur A. Ali said, the Department has supplied 6 per cent. of the population with loans. The working capital of primary societies is 5·96 crores, of which 3·53 crores have been borrowed by the societies from Central Banks and the outside public. The total agricultural debt was estimated by the Banking Enquiry Committee at 100 crores. Since then it has increased on paper owing to the accumulation of interest. The Co-operative Department has financed 3 per cent. of agricultural credit. The reason why the Co-operative system has become unpopular is firstly that 40 of the Central Banks have been unable to repay deposits as they matured, and secondly that owing to the depression the Department has

been unable to do anything more than to try and recover the co-operative dues. Formerly, 18¾ per cent. interest was charged from members of village societies—but only in rare cases. After a few years, the general rate came down to 15 per cent. Three per cent. was the usual margin of profit between the borrowing and lending rate of societies but the whole profit, could not be taken to reserve. Only 25 per cent. could be taken after meeting expenses on account of audit fees, contingencies, etc. Normally, the profit on Rs. 1,000 borrowed would be Rs. 30. Out of the profit, audit fees would amount to Rs. 6 or 7 and from the balance contingencies would have to be met. Out of the total number of 19,000 rural societies, about 3,000 have become self-supporting and independent. The position of the reserve fund is taken into consideration when loans are granted to societies but the loan is not always reduced in consideration of the amount of the reserve. The rule is that societies can take loans up to 10 times the share capital and reserve separately invested. If the share capital is not equal to the loan taken, the share capital is deducted from the loan and more shares have to be taken out. The share capital is not included in the reserve fund. It is not possible for the Department to control borrowing by members of societies from other sources. In the new Bill, there is a provision against borrowing without the knowledge of the society but there are no powers for stopping such borrowing. He did not agree that the prospect of instilling co-operative ideas is hopeless: in the last few years co-operative principles have undoubtedly been extended and in many villages co-operation has been the basis of jungle-cutting, excavation of drains and other village improvements.

He did not agree that the only way of restricting outside borrowing is for societies to take charge of the property in the same way that the Court of Wards takes charge of the estates of disqualified proprietors. He thought that without doing so a reasonable measure of restriction could be enforced. He agreed that cases have been found in which members had disposed of mortgaged properties without the knowledge of the societies. That was due to a defect in the Act. There might also have been cases where transfers were made when societies went into liquidation.

He said there are three big sale societies in existence. There are also several smaller societies, one of which has gone into liquidation and others are in a moribund condition. The reason for this was that co-operative principles were not followed. Members of the societies did not bring their produce to the societies' warehouse as laid down in the bye-laws. The three big paddy sale societies are now working properly because a legal agreement is taken from the members to bring in their crops to the societies' warehouse. No security is taken from the members: a bond is taken in return for the money advanced. The

crops are sold when the prices are most favourable. He mentioned a case where the market price was between annas 14 and Re. 1 per maund of paddy but Re. 1-6 had been obtained by sale through the society. These societies which aim at linking agricultural credit and marketing facilities have been established at Parbatipur, Gosaba and Khepupara. The Department is not however contributing any subsidy to these societies. In Madras, marketing is managed by a central society which has branches in different localities controlled from the centre. He agreed that it will not be possible to advance as much as 3 crores this year for providing short-term loans over the entire province but if short-term loans are granted, the number of societies could be increased. The Department had been aiming not only at providing agricultural credit but at training the people on co-operative principles: otherwise the cultivators will borrow elsewhere. Agricultural loans are a temporary measure but the cultivators will always be in need of loans. If Rs. 20,000 were provided per thana for loans on account of seed and cattle, the amount would be insufficient, and any scheme would be useless unless outside borrowing were restricted. Even if the crops were hypothecated, a staff would still be required to collect the dues. It would not be possible to use a number of the existing staff for this work. The suggestion is not practical that 100 inspectors should be left to carry out the existing work of the Co-operative Department and the remaining 300 put in charge of short-term loan issues throughout the province.

Of the applications received in the Land Mortgage Banks, two-thirds have been rejected. The progress is certainly slow but conditions are such that it is imperative to proceed cautiously.

In reply to Khan Bahadur Momin, he said that in the past nothing had been done to train the people in co-operative ideas. This year's budget is Rs. 15 lakhs. In the early days of the movement, it was 3 to 4 lakhs. He considered that the ratepayers have got their money's worth from the Department because it has effected a reduction in the rate of interest. He did not include the Ganja Sale Society or milk societies amongst those which he had mentioned. He was speaking of paddy sale societies. There are also fishery and weaving societies. There are four milk societies in Chittagong, Dacca, Calcutta and Darjeeling, but those in Darjeeling and Dacca have gone into liquidation. Consolidation of holdings on a co-operative basis was attempted by the Department from 1928-30 but the people did not co-operate and it was found that they were unwilling to exchange plots of different qualities. An attempt is now being made in Bankura, and a society has been started for the consolidation of holdings. Last year the Provincial Bank decided on the policy of advancing short-term loans: some Central Banks took security in land; others did not. In the new Act it is proposed to distrain crop for default of short-term loans.

He explained to the Chairman that security in agricultural societies consists of the personal surety of two members.

Continuing, he said that a scheme is now before Government for scaling down old debts of the members of village societies and arranging repayments by instalments spread over a number of years or through Land Mortgage Banks.

Mr. Holland mentioned that the estimates of debtors' assets made by Debt Settlement Boards are often incorrect assets. In ten cases enquiries had been made by Land Mortgage Banks and it was found that the estimates were so inaccurate that none of the debts could be taken over. A further investigation had been made with more success. Another reason for the slow progress of Land Mortgage Banks is that one co-sharer sometimes applies for a loan but until all the other co-sharers join no progress can be made.

Khan Bahadur M. A. Momin suggested that if Debt Settlement Boards and Co-operative Banks were abolished they might be replaced by Land Mortgage Banks in every union or thana, which would deal with old debts and advance loans for agricultural purposes.

Mr. Holland replied that the extension of Land Mortgage Banks might bring relief to agriculturists but it would really consist of the same machinery under a different name. The same enquiries would have to be made by the Land Mortgage Banks as are being made by Debt Settlement Boards. The Department has tried the experiment of a Debt Settlement Board consisting of the Directors of a Land Mortgage Bank. Disposal of cases before Special Boards is not dilatory and in the case of some ordinary Boards disposal has improved.

At this stage news was received of the death of His Excellency the Governor of Bengal, and the meeting was adjourned.

Reply by Khan Bahadur Maulvi Ataur Rahman, Retired Assistant Commissioner of Income-tax, Calcutta.

Q. 3. As far as my personal knowledge and experience for 50 years goes I don't think the zamindar did play any important part in the economic development of their estates. The zamindars have failed to perform the function expected of them. The Permanent Settlement was made with them in such favourable terms that they could lead an easy life with the income they obtained without any exertion on their part. Moreover they were "Despotic power in their zamindari" and could realize illegal exaction without any opposition. The demand of land gradually increased and the zamindars did not find any difficulty to get tenant and the tenants so obtained improved and brought the land under cultivation.

Q. 4. Before Permanent Settlement many zamindars were mere collectors of revenue on behalf of the State. But some of the Permanent Settlement-holders were real proprietors such as the Raja of Birbhum, or Raja of Pachet. They had sovereign right in the land. Subsequently when British Raj came in, the Permanent Settlement was concluded with them.

Q. 5. It is a very important and vexed problem. I am not a student of Political Economy so I am unable to discuss the merit or demerit of the question academically but from my practical experience as an officer in the Settlement Department and an officer in charge of Government estates I am of opinion that it must be a mistake to annul the Permanent Settlement. Such action will not improve matters or help the raiyats. It may bring some money to the State but there will be a chaos in the society as it is constituted now with the effects of a century and half old institution. If the State wants money it can tap land in other ways such as Cess Act, income-tax on land.

Q. 6. I don't think the expansion of cultivation or improvement of land is due to any action of the zamindars. The land improvement registers maintained in the districts will show that very little capital has been invested by the zamindars. During my official career which was spent mostly in rural Bengal, I have not come across any act of improvement by the zamindars. On the other hand the improvements made by their predecessors in interest or other pious people before Permanent Settlement are allowed to decay.

Q. 9. The zamindars keep very little touch with the tenants. Their village gomastas are all in all. The only concern the zamindars has in the estate is "How to get money and more money". He never helps the raiyats in any way. At least I have not come across any such

estate, where the tenants received any help from the zamindar. The visit of the zamindars is dreaded by the people as such visit costs the raiyats good deal in the shape of nazar, travelling expenses, chanda, etc.

Q. 10. It is another academic question.

The Permanent Settlement has no doubt crippled the resource of the revenue of the province but I don't think it is responsible for the economic depression of the peasantry. Annulment of Permanent Settlement is no concern of the raiyats because they will have to pay their rent to some authority under any circumstances. If they can be saved by legislation from illegal exaction and rack-renting it matters little to them who collects their rent.

Q. 11. It is true that the Permanent Settlement has given large share of the revenue to a few middlemen. I can't say whether it is 80 per cent. or less. In this connection settlement report may give useful information (viz., Birbhum Report, pages 53 to 55). It has no doubt created overlordship and the tenants are oppressed by the landlord. But the times are changing and with more light and political advancement the zamindars' overlordship will die out.

I must note here that the Government is also responsible for such overlordship of the zamindars. The zamindars were looked upon as favourite children and the peasantry was left to their mercy and the tenancy legislations were one-sided in many respects.

Q. 12. As I have already stated I don't advocate the abolition of Permanent Settlement but recommend that the tenants should be protected by legislation and they will be able to help themselves with advancement of the sense of their right and responsibilities.

Q. 13. By imposition of a tax on the income of the rent-receiver (not on the actual cultivators) if the income is beyond a certain limit say Rs. 1,000 or Rs. 2,000.

Q. 19. There was time when the raiyats preferred to come under the Government management because of the advantages they used to get in terms of the rent they paid. When I was in charge of khas mahal in Bakarganj 1907-12 the tenants of the permanently settled estates of Nawab Bahadur of Dacca adjoining the Government estates sent thousand of petitions praying to come under the Government management. It will not be out of place to mention here that at the time proceedings were going on for confiscating several temporarily settled estates on account of the mismanagement of the settlement-holders.

I must admit that the khas mahal is also not always free from the *zulum* to the raiyats still they preferred to come under Government

management, because of the advantages they got in the shape of sanitary improvement, educational facilities, remission of rent at the time of distress but unfortunately those golden days in the khas mahal have passed away. The khasmahal tenants are not treated in the same manner as they used to be. At the same time the zamindars' oppressions are declining and with the awakening of the tenants this will die out in time.

Q. 29. I have no statistical figure but from what I see in our villages there is no appreciable increase of bargadar. Many middle-class people are paying more attention to cultivation on account of want of avenue of employment elsewhere. But I believe there may be increase of bargadar, if more land passes away from the hands of the cultivators. This cannot be avoided unless their economic condition is improved.

Q. 30. The cultivator is always in deficit budget on account of repeated failure of crops, for the serious disparity of prices, for meeting the contingency of the modern civilization and lastly for the gradual loss of the productivity of the soil. Failing to meet with his demands he parts with his lands which may go to bargadar.

Q. 31-36. These questions deal with barga system. It is a time-honoured system of agriculture in the country. I am not in favour of tinkering with the institution. Nothing in a society can be perfect, not to speak of land tenure which is a very complicated affair and all legislation on the subject should be based on custom which is prevalent in the country and which has worked well. In fact the State based its revenue on the produce of the land. To me it seems that the system of produce rent is more perfect and equitable. I wish the old Hindu system or Muhammadan system of collection of rents by estimating the crop and taking the value of a share was still prevalent. Money rent is an artificial system. The produce of the soil is its wealth, so a share of the same payable to the State is the proper rental. The tenant will have to pay nothing when there is no crop. He will have to pay less when there is a partial failure. So really speaking barga system is most equitable if it is properly adjusted. There may be increase of barga land and this cannot be stopped by any outward force of legislation. Whatever legislation may be passed, means will be found to avoid its term when the people find that it is against their interest. Necessity knows no law. I am not in favour of changing the present law.

If the settlement reports are consulted it will be seen that only small a fraction of land is let out in barga. In Birbhum district 1·17 per

cent. of the total area is let out in barga. In many cases the tenant who lets out in barga helps the bargadar with capital, seed and manure. He is more substantial and is a resident in the village and without his help and guidance the bargadar would not be able to cultivate the land properly.

The bargadar is better paid in this system than a day-labourer.

It will not be a good policy to disturb this system, nor I would advocate its increase if it can be avoided. There is no complaint nor there is any public opinion against it. If the Government wants to stop it the remedy does not lie in interfering in the barga system but means should be found out to see that the raiyat's land does not go out of his hand on account of his poverty. The poverty is the root cause of all the trouble. If he can meet his both ends he will never part with his land. A raiyat would rather give some drops of his blood than his land on which he depends for his livelihood but he parts with it when he finds that he has no other means. Let the well-wisher of the raiyats take steps to improve their economic condition, free him from debt by increase of his income, by improving the land's productivity and save him from the expenditure of the modern civilization and then you will see that he will prosper again.

Q. 40-41. The consolidation of holdings is not a possible problem. The land held by one raiyat is of various kinds and he will not part with one plot of his A class land for another plot of B class and so on. There are other practical difficulties.

Q. 42. The accumulation of very large area in one hand is not desirable but so long as the raiyats' condition is not improved how this can be stopped. If it can be stopped by helping him with money to clear off his debts and keeping him out of new debts it will be no doubt a thing to be desired.

Q. 43. I agree but I don't find any solution without interfering with the laws of inheritance.

Q. 45. If it means that the collection of all co-sharers landlords will be joint it is very desirable.

Q. 46-47. I do not think the intention of Permanent Settlement was that the zamindars would augment their income by enhancing the rent of raiyats. Besides the land in occupation of raiyats there was a large area uncultivated and the zamindar had ample opportunity to increase his income by letting it out and assessing rent on it.

Though it is not expressly said anywhere I think it was contemplated in the Permanent Settlement Regulation that the rent of raiyats should not be enhanced.

Q. 50. I can't advocate the principle of fixing the rent of the raiyats permanently and thereby crippling the source of revenue to the State. The mistake once committed by Permanent Settlement should not be repeated but this source of revenue should be kept open.

Now the question is how such enhancement be provided. I don't think the present law of enhancement for the rise of the price of staple food crop can be an independed ground of enhancement. Various factors are to be taken into consideration, e.g., (*a*) productive power of the soil, (*b*) increase of cost of cultivation, (*c*) increase of cost of living, (*d*) disparity of prices between the price of goods the cultivator sells and the price of goods he purchases, (*e*) the bad economic condition of the cultivator.

Though the money value of the agricultural goods has increased the production is very much less than what it used to be. As far back as 1885 late Mr. Amir Ali objected to the provision of enhancement owing to increase in the price of staple food crop in the then Legislative Council.

At least for 30 years to come there should be no enhancement on any ground except on the ground of increase of area.

Q. 52. The rent should be based on a share of the produce. This will act adversely on the poorer land but the tenants who hold only such land must receive special consideration.

Q. 56. I think the value of 1/10th of the principal crop based on an average of 10 years' produce, carefully experimented on, should be the basis of rent.

Q. 57. There should be no enhancement but there must be reduction or remission in case of partial or total failure of crop.

Preferably twenty-five years.

Q. 64. My answer will be "Yes".

Q. 72. Average yield of paddy in normal year is 15 maunds per acre in western Bengal districts. There is a failure or partial failure of crop about every third year. If this is taken into account the average comes to 9 maunds per acre (*vide* page 73 of the Settlement Report of Birbhum) I have no idea of the cost of jute or sugarcane cultivation, but I have some idea of the cost of paddy cultivation and it is as follows:—Usually one man is engaged for 16 bighas of land of which in about one bigha second crop is grown. His services is practically utilized for the whole year in cultivation of this land.

Occasionally he is employed on domestic work. So I shall allow a part of his wages and calculate the costs in the following manner:—

Wages of one labourer:—

		Rs.
For 12 months	...	60
His food and clothing	...	60
Price of implement on its depreciation	...	2
Manure	...	8
Feeding of cattle	...	24
Depreciation of the cattle	...	10
Seed	...	6
Total		170

		Rs.	as.
Less the employment of labourer in other works 1/3rd of 120	...	40	0
Total		130	0
Per bigha (130/16)	...	8	2
Per acre	...	24	6

This is the cost of paddy cultivation if the cultivation is done by hired labour. If the cultivator works himself he saves the cost of the wages and the cost for 16 bighas comes to about Rs. 100.

The cost per acre amounts to about Rs. 18.

Q. 73. Apart from the statistical figures it is my personal experience that the land has lost part of its productivity. I cannot say what are the scientific reasons, but I believe the following are some of the reasons for lands losing its fertility:—

(1) Every village had some waste land for the purpose of grazing of cattle. When rain fell on it, it trickled down to the surrounding land and fertilized it. It does not exist now.

(2) For want of grazing ground the people cannot keep sufficient number of cattle to obtain manure therefrom.

(3) The river banks are all high. Many of them are altogether dried up. Apart from the flood silt the land has lost its underground moisture. If the rivers can be brought to its original condition by

removal of artificial obstruction, they would have their full scouring action and maintain their proper channel up to the sandy stratum and diffuse its moisture. This will not only improve the fertility, I think it will bring back timely rain.

(4) Rainfall has become scanty and irregular.

(5) Old irrigation tanks are decayed.

As to definite proof of the deterioration of the soil I would refer to page 538, Vol. (V) of the Dictionary of Economic Products by Sir George Watt. I quote here what he says, "Enquiry in 1867 made with regard to the production of rice, throughout the province, made it apparent that the average of all the figures then given would justify 27 to 33 maunds of paddy per acre."

The Government Blue Books and Settlement Reports will show that the average is about 15 maunds now and if bad year is taken into consideration it is 9 maunds (*vide* page 73 of the Final Settlement Report of Birbhum).

As far as I know nothing substantial has been done by Government to improve the land or to help the cultivators by distribution of seeds or manure in our locality.

Q. 74. These beneficial acts seem to have been enacted for operation only at the time of distress or famine. The reason for not extensive use of these enactments is the plea of shortage of fund.

Q. 77. In my opinion the land revenue administration of the province is not the cause of the uneconomic condition of the raiyats. But it will not be out of place to say that the Government did not take proper care of the raiyats. They were left to be suffered at the hand of the powerful zamindars and greedy mahajans.

Any modification in the administration of land revenue will not appreciably improve the economic condition of the cultivator. Even if it is declared that the cultivator will have to pay no rent now, still his condition will not be sufficiently improved to give him two square meals. Please refer to page 15 of the bulletin of the Board of Economic Enquiry for Bankura. You will see that the average income of a family is Rs. 146 and his expenditure is Rs. 267. The cost for rent will be about Rs. 30. If this is eliminated still he will be in deficit of Rs. 90 per year.

Q. 78. The Settlement Reports and the bulletin of the Board of Economic Enquiry will show in what a miserable position the cultivator is. In general about 90 per cent. of them are having deficit and half are ill-fed. Besides agriculture other sources of income has practically dried out. They have no cottage industry and it is impossible to revive

the same in competition with the big industry. The happy old days are gone. The charkha lost its existence. The dhenki and ghani are dying. The weaving of gunny bags is forgotten.

In our younger days we have seen paddy selling at the rate of 1½ maunds per rupee and still the cultivator was happier. He had no unnecessary luxury expenditure. He had practically nothing to buy. He used to grow all he required, on his own land. So he was not in want.

Q. 80. The condition of the cultivator cannot be improved unless the whole fabric of economic structure is re-cast. Bengal is a purely agricultural country and the income of the cultivator has not increased. On the other hand, on account of deterioration of the productivity of the soil the income has fallen. Modern civilization has brought in many items of unnecessary expenditure. Recently I saw a cinema show in the villages where cultivators are starving. So it is very hard to improve the cultivators' condition unless the cultivator is made to live on the produce of his land, and this cannot be done on the plea of free trade and industrialization of the country.

The cultivation cannot be improved by the so-called improved method but it will improve itself if the physical condition of the country is changed to its original condition when we had enough crop without much exertion.

Q. 81. I do not subscribe to the view that poverty of the cultivators is mainly due to the pressure of population. The increase of cultivation is proportionate to the increase of population. The census figure and the Settlement Report of West Bengal districts at least will prove this fact. The poverty as I have already said is the outcome of modern civilization. "More expenditure than income" is the cause of poverty. Let the cultivator have his old mode of life to live, he will be happier again.

Q. 82. I am not in favour of driving people to big industries. The salvation does not lie therein. The revival of cottage industries will be better and safer means to give amelioration to the cultivator. The accumulation of the people in big industry and the life led therein curtail their longevity and they gain vices. A man in a cotton mill may give an outturn of 100 yards a day but he may live only for 40 years, but he will live 80 years if he works in his own village among his own people. So ultimately the country will be gainer by cottage industry.

Q. 83. An attempt to improve the credit of the cultivator will be one-sided, till his expenses are reduced by banishing all foreign-made or mill-made goods by legislation and improving the productivity of the land by resuscitating the rivers. The credit movement will not improve the situation. At present there is no efficient credit organisation and none can exist till it is taken up *pari passu* with the improvement of land.

Take the case of bagri area of Murshidabad. The entire area lost all its standing crop by flood and it is not only this year but several years successively. What a credit organisation could have done in this area with such a situation. In the rarh area the same situation may arise if there is a failure of rain.

Q. 84. It is rather exaggerated. There might have been a time when such was the case. At present the mahajan will be satisfied if he gets back his principal alone.

Q. 85. The co-operative movement is a failure. It is not the fault of the system but as I have said already that the credit organisation is only one-sided. It cannot improve the situation. Even if one Registrar or Assistant Registrar is appointed in each thana, he will not be able to improve matters.

Q. 86. It is too early to speak on this matter. The greatest trouble in the working of the Board, I find, is not disposal of the cases.

The parties are being harassed from day to day. The question of court-fee deserves the consideration of Government.

Q. 87. Vide reply to questions 83-85.

Q. 89. The system now in vogue will work well if corruption and bribery in the Civil Court can be stopped. Besides the legal expenses the Government abwab is very much heavier than the abwab realized by the zamindars. The rate of court-fee is too high. If some modifications are made the system will work well.

The cultivator is a good pay-master. The payment of zamindar's rent is considered as a sacred duty. The tenant will never withhold his rent if he is able to pay and if he is not exploited by political agitators. Improve his condition and the rent will be paid without any coercion. The new amendment of Bengal Tenancy Act giving facility to partition of holding will improve the collection of zamindars' rents to a great extent.

Q. 90. Experience shows that the recovery of rent by Public Demands Recovery Act in the present condition of the cultivator is most harassing. As I have said in the previous question the tenant would not fall in arrear if he is able to pay. But when he is in such a helpless position the certificate procedure acts too adversely on him. I know cases in my own district where the Certificate Officer attached and sold agricultural implements and cattles. In Civil Courts the judgment-debtor gets some respite. He makes some settlement with the landlord. The good relation between landlord and tenant is strained by Certificate Officer. The Certificate Officer replaces the landlord, who does not look to the interest of the tenant but his sole aim is to show good collection and get credential.

Oral evidence of Khan Bahadur Ataur Rahman, on 25th February 1939.

In reply to the Chairman, Khan Bahadur Ataur Rahman said that he had been in the Settlement Department and in charge of khas mahals, including the colonization area of the Sundarbans from 1903-1917. After 1917, he served in the Co-operative Department and subsequently in the Income-Tax Department till his retirement.

He considered that the poverty of cultivators is due primarily to the increased standard of living without increase of income. He mentioned as an example that in olden days, cultivators used to grow their own cotton and women used to spin it: consequently very little paddy had to be sold to procure the necessities of life. Now-a-days, one maund of paddy has to be sold to buy a piece of cloth. Village enterprise and village industries are now dead.

In reply to Khan Bahadur Hashem Ali Khan, he agreed that the condition of the peasantry is very miserable. One reason is deterioration in the productivity of the soil and the lack of scientific irrigation. The absence of proper marketing facilities is another reason. Sometimes the cultivators are forced to sell their produce. For example, one Government kist is fixed in the month of Pous when the paddy was just being harvested and they are compelled to sell some paddy at a low price. Deterioration in health is due partly to the lack of nutritious food and of proper drainage. The climate of the country has deteriorated owing to the construction of railways and bridges. Improvement cannot be effected simply by establishing dispensaries and distributing quinine. He agreed, however, that medical facilities to-day are better than they were 50 years ago, but such facilities would not be necessary if the country were kept in proper order. Although there are dispensaries covering the rural areas, he was not in favour of modern medical methods but would prefer to go back to the old indigenous medicines, which are cheaper.

He said that in Murshidabad and in the adjacent part of Birbhum, the cultivators are entirely occupied in agriculture and have practically no spare time. He agreed that they only raise one crop in the year and might grow a second crop on a small part of their holdings. He did not agree that in general the cultivation of aman paddy requires only three months' work in the year. In Bakarganj, nature helps the cultivators and they do not have to do much ploughing. He agreed that home industries in the cultivators' spare hour would be very helpful and would increase their income. He did not agree that crores of rupees would be necessary to start cottage industries: in the old days cottage industries existed without finance. The remedy, he said, was to stop the import of foreign products and leave the people to make their own cloth, oil, and other necessaries of life. The money spent on demonstration parties had been sheer waste of public funds.

In reply to the Chairman, he said that the people still possess the necessary skill for husking, weaving and spinning. Their skill is being killed by machinery. He was not in favour of starting sugar mills in rural areas because 90 per cent. of the people use gur and not sugar. It is only consumed by the higher classes.

In continuing to Khan Bahadur Hashem Ali, he said that the Permanent Settlement has certainly crippled the resources of the province. He apprehended, however, that if the landlords and tenureholders were bought out, the increased revenue might not be allowed for improvements in rural areas. He mentioned that a grant of Rs. 2 crores had recently been received from the Government of India and had been merged with the general revenue. If the position of the cultivators is to be improved, additional revenue would have to be earmarked for their improvement.

In reply to Khan Bahadur Abdul Momin, he agreed that in eastern Bengal the pressure of population on the land is heavier than in western Bengal. He was not in favour of employing the surplus population in centralised industries but thought that they might be employed if industries are started locally. His suggestion was that industries might be started in villages through the introduction of electric power. He mentioned that in Japan, every home is an industrial centre and that is the reason why cloth and other industrials are so cheap there. He agreed that spinning should be encouraged. He preferred home industries to big industries. He was not in favour of starting industries such as the manufacture of motor-tyres and bicycle-tyres, as such articles of luxury are not required by the peasantry. He preferred home spinning by machinery which would not be costly. He agreed that even if foreign imports were stopped, the habit of buying such articles might remain. The chief need in western Bengal is irrigation. First of all, the irrigation tanks should be restored; secondly, the rivers should be resuscitated. He did not consider that the canals like the Bakreshwar in Birbhum had been successful.

It would be an ideal state of affairs to have the raiyats directly under the State but he was not certain that this could result in a decrease in litigation. He thought that to buy out the landlords and tenureholders would create a disturbance in the present social order, which he did not favour. He agreed, however, that the object of the administration must be the greatest good of the greatest number. If the landlords are bought, they would have to be compensated. The value of zamindari property has gone down and probably none now-a-days would be willing to buy it. He considered that 10 times the net profit would be the minimum fair compensation. Compensation should be given in cash or in promissory notes at 4 to 5 per cent. interest.

In reply to Sir F. A. Sachse, he agreed that these proposals would certainly result in decrease in income to the landlords and tenureholders

but this need not cause much apprehension as rent has become almost unrealisable owing to the introduction of the Bengal Agricultural Debtors Act and other reasons. The tenants can hardly afford to pay rent now-a-days and have hardly enough to maintain themselves.

In reply to the Chairman, he said it is not that rents are too high but the cost of cultivation has increased while the price of agricultural produce and fertility have decreased. He agreed that many holdings are too small, and uneconomic. Tenants are sometimes compelled to part with their holdings owing to bad economic conditions. Rent is on the high side in western Bengal compared with eastern Bengal taking into consideration the respective value of agricultural produce in both parts; but he did not consider that the rent is too high. In western Bengal, there is only one main crop, viz., aman paddy, the value of which he would take at Rs. 30 an acre. One-tenth of this, i.e., Rs. 3 would be a fair rent. The Government figures for outturn in western Bengal is 12½ maunds an acre.

In reply to Khan Bahadur M. Hosain, he said that those zamindars who had a sovereign right in land at the time of the Permanent Settlement held their zamindaris subject to the customary rights of the raiyats. He reiterated his view that to buy up the landlords and tenureholders would be a sudden innovation which would have a disturbing effect on the province.

In reply to the Maharajadhiraja Bahadur of Burdwan, he said that he apprehended that by doing away with the existing zamindari system, the present fabric of society would be destroyed.

In continuing to Khan Bahadur M. Hosain, he said he was not certain that if the zamindars were given compensation in cash, they would invest their money in industrial enterprises: it would be a good thing for the province if that happened. He agreed that one evil of the Permanent Settlement was that the landlords have not looked after their tenants in the manner expected at the Permanent Settlement. He doubted, however, whether a change to State landlordism would not result in the tenants going from the frying pan to the fire because the State might squeeze them as hard as the landlords. He agreed however that the tenants would have some protection from their voting power.

As regards the imposition of a tax on agricultural incomes, he said that realisation was difficult enough from businessmen and will be extremely difficult from cultivators making an income of more than Rs. 1,000 or Rs. 2,000.

He considered that the khas mahal management now-a-days is not as paternal as it used to be. Nazarana is now charged in the same way as in the permanently settled estates for new settlements and for

splitting up of holdings. As regards bargadars he explained that he was not against giving some rights to them, as opposed to bhagchasis, but he was not in favour of allowing commutation of rent: otherwise bargadars might sublet. The bargadars who finance their cultivation ought to get some right. He agreed that land is passing to non-agriculturists and that State aid is necessary to help tenants who have lost their land. He was not in favour, however, of any Land Alienation Act because in the present condition of the credit market, the cultivators would be adversely affected and would have to sell up more land. Artificial methods of restriction if thrust on the cultivators would not do them any good. Non-agriculturist would pass as agriculturists and land would be still transferred by benami transactions. Such a law would be impractical and easy to evade. He was not aware whether such restrictions had been successful in Punjab or what was the report of the Royal Commission on Agriculture on that subject. The present price of paddy in his own village is Rs. 1-11 per maund. At the harvest time this year it was between Rs. 1-12 and Rs. 1-14 owing to the failure of the crop in part of Murshidabad district. Last year the price at harvest time was Rs. 1-4 to Rs. 1-6. The average might be taken as Rs. 1-10 a maund. The fact that during the war, there were no imports and yet cottage industries were not revived, does not mean that they could not be revived now. It would be a lengthy process and could not be carried out all at once. Money would be essential, but money alone would not suffice—there must be genuine will on the part of the State to improve the industries.

The present trouble of the cultivators is due largely to the increased cost of living. They pay Union Board taxes, the price of kerosine, the cost of medical facilities, etc. He agreed that attempts should be made to increase the yield: now-a-days the cultivators are getting only 10 maunds an acre compared with 20 maunds formerly. Cultivators' necessities of life ought first to be met from the produce of their land; it would then be possible to improve their income. He agreed that many holdings are now small and uneconomic and that it is desirable to aim at providing economic holdings. But if every one had an economic holding there would be some surplus population and as he had previously suggested, they should be employed in village industries. He agreed that certificate procedure, if judiciously applied, would be cheaper and simpler, but thought that as it is now applied it is rather discouraging.

In reply to Sir F. A. Sachse, he said that, speaking from memory, cotton used to be grown in this part of the country and spun by the womenfolk. Although the quality of home-spun cloth might be inferior, the price was much less than it is now. He agreed, however, that cotton might not have been generally grown all over Bengal. In his reply to question 79 he stated that paddy previously sold at 1½

maunds per rupee. He agreed that this is only half of the present price but thought that the tenants' difficulties arise from the increased cost of living to which he had previously referred. Kerosine oil, for example, was not in use previously: cultivators used to make their own oil and it cost them nothing. When more expensive habits of life develop they are difficult to remove. He agreed that the standard of living has gone up. It was true that lakhs of rupees were spent during the jute boom in the purchase of corrugated iron sheets in eastern Bengal: Although corrugated iron sheets render thatching unnecessary, there should be no cost for thatching roofs if the thatching grass is grown on a tenant's holding.

Sir F. A. Sachse pointed out that Khan Bahadur A. Rahaman had given the opinion that a bargadar is better off than a labourer. According to his reply to question 72 the labourer earns Rs. 120 a year. This must mean that a bargadar who is assumed to get same receives Rs. 120 from half the crop after paying the cost of cultivation. In that case his profit would be Rs. 24 an acre and the profit of a raiyat who get the whole crop would be nearer Rs. 48 an acre. This fact could hardly be reconciled with the estimate that the gross value of produce is Rs. 30 an acre. Khan Bahadur A. Rahaman adhered in reply to his figures, which, he said, were based on Government statistics. He said that he had taken Rs. 24 a year as the cost of feeding cattle because in his district the tenants invariably purchase oilcakes. As regards his reply to question 31 he said that since 1334 B.S. there have been six failures in the rarh area of Murshidabad. He agreed, however, that this area is different from the average land in Bengal and that in good years the first class land there is capable of producing 30 maunds an acre. In connection with Khan Bahadur A Rahaman's reply to question 32 where the average outturn in western Bengal is said to be 9 maunds an acre, Sir F. A. Sachse pointed out that the Settlement Report had not given 9 maunds as the average outturn of Birbhum district, but had deliberately taken a low figure for the purpose of comparing the value of gross produce with the indebtedness of the whole district.

Khan Bahadur A. Rahman said he had not examined the Bihar Act for the levy of a tax on agricultural incomes. He agreed that if the limit of taxation is fixed at Rs. 5,000 income no *bona fide* cultivator in Bengal would have to pay any income-tax at all. If the limit were reduced to Rs. 600 even then there might not be many assessees; but it would be very difficult to collect the tax. He said he had some land of his own, part of which is cultivated by labourers who are paid an annual wage, and part on the kisani system by which he himself supplies all the cost of cultivation and the actual cultivator receives 1/3rd of the crop. Of the two systems he thought the latter is the better because

in case of failure of crops he has got to pay as much as he would have to give to an agricultural labourer.

In reply to the Maharajadhiraja Bahadur of Burdwan he agreed that the incidence of land revenue in western Bengal is higher than elsewhere. This is not entirely the reason why rents in western Bengal are higher. At the time of the Permanent Settlement that area was more prosperous: it was healthier and more populous. The tenants in western Bengal feel that the rent is high because productivity of soil has decreased and the climate has changed. That is why they feel the pinch, but apart from those considerations the rate of rent is not high. As regards his replies to questions 46 and 47 he said that his reading of the Permanent Settlement Regulation led him to the conclusion that the zamindars were not intended to increase their incomes by enhancing rents. Their increased profits were to come from extension of cultivation and by effecting other improvements. On this ground only enhancement of rents was allowable.

Asked whether in his opinion all tenancy legislations since 1859 regarding enhancement of rents had been wrong, he replied that in 1859 the tenants were not well represented. He thought that tenancy legislations had been one-sided and mentioned that during the course of Settlement operations he had found instances of enhancements beyond legal limits. He did not agree that a rise in prices is a fair ground for enhancement. As regards his reply to question 50 and his recommendation that there should be no enhancement for thirty years, he said that his object was to provide a respite for the tenants. Any enhancements would make their position more precarious. The present rent should continue but he had no particular reason for suggesting a period of thirty years: his object was simply to provide a longish period in which the tenants could recover. As regards question 83 he said he thought Government had failed in its duty to resuscitate the rivers. As regards question 89, he said that by "Government abwabs" he was referring to the sum which had to be spent by way of gratuities in the Civil Courts. In advocating Civil Court procedure for recovery of rents in preference to certificate procedure he was thinking of his experience in his own district. If it was decided that landlords should be allowed more summary powers for the realization of rents, he would agree that something like certificate procedure with proper safeguards should be given, but he thought that economic conditions are so bad now-a-days that tenants cannot be pressed to pay. Certificate procedure would facilitate recovery from refractory tenants but he thought that landlords show more consideration in realizing rents than Certificate Officers.

Mr. B. K. Roy Chowdhury pointed out, in connection with Khan Bahadur A. Rahaman's reply to question 3, that the zamindars were

only given 10 per cent. as profit and collection charges at the Permanent Settlement, that many estates had been sold up immediately after the Permanent Settlement owing to the zamindars' inability to pay revenue, and that there is evidence to show that the zamindars have developed the prosperity of the country and been responsible for the advancement of learning, provision of medical help and other acts of charity and munificence. Khan Bahadur A. Rahaman was not prepared to modify his views that the Permanent Settlement was made with the zamindars on such favourable terms that they could lead an easy life without exertion on their part. He said that there were opposite views to those advanced by Mr. B. K. Roy Chowdhury.

The Maharajadhiraja Bahadur of Burdwan enquired whether the witness really thought that the intention of the Permanent Settlement was that zamindars should live a life of ease on an allowance of 10 per cent., Khan Bahadur A. Rahaman replied that the zamindars had ample scope for increasing their income by settling waste land.

Continuing to Mr. B. K. Roy Chowdhury, he agreed that it would not amount to enhancement if a landlord had induced tenants to cultivate waste lands and after giving lands rent-free for three or four years had charged a progressive rent.

In reply to Secretary he said that in his answer to questions 31-36 he had favoured the payment of rent as a share of the produce. The Secretary pointed out that enhancements on the ground of a rise in prices amount simply to adjustments of the value of this share. Khan Bahadur A. Rahaman did not agree, on the ground that with a rise in the price of paddy, the prices of other commodities also rise simultaneously. The system of paying a share is also beneficial to the tenants because if there is no crop in a particular year, they would have to pay nothing. He did not altogether agree that such a situation would be covered now-a-days by remissions of rent. He agreed that if the raiyats came directly under the State there might be a general demand for reduction of rent and the level of rent might become a subject for electioneering. Increased remission of rent and increased agricultural loans might also become necessary. He thought, however, that it would be beneficial inasmuch as Government would have direct control over the raiyats.

Reply by the Finance Department of the Government of Bengal.

Q. 13. At the outset we must make it clear that the question of abolition of the zamindari system or the substitution of the Permanent Settlement by temporary settlement are large questions of policy on which the Finance Department cannot express an opinion. We may confine ourselves to examining the allegation that larger revenues could be got by one or other of the above methods.

2. It is dangerously easy to prove all kinds of conclusions on this very fundamental issue. This is so because of two facts, viz., (1) the data are more or less conjectural, and (2) the compensation to be paid to landholders has been supposed to be an elastic figure. It is therefore considered better to proceed on first principles.

3. The total amount of rents that are collected from the cultivating raiyats in the permanently settled areas of the province can be divided into three parts, viz.—

(1) Cost of collection of all tenureholders and zamindars.
(2) Net profits of all tenureholders and zamindars.
(3) The land revenue which comes to the State treasuries.

4. Government would not, of course, gain on the third item by acquiring all interests on land above that of the cultivating raiyat. There may be a slight loss on this head as many petty landlords pay revenue for estates which do not earn their revenue, simply to keep the title and prestige of being a zamindar.

5. If the capitalised value of the net profits at market rates of interest are to be paid as price for acquiring the different interests on land, there is no scope for gain out of the second item also.

6. So the only source of profit to Government is through a possible economy in the cost of management. This may look possible in areas in Barisal where there is a large degree of subinfeudation and each of a number of men having interest in the same land has to maintain a separate collecting establishment. But against this possible economy must be set off the following:—

(1) Management cost of Government is likely to be higher than that of private individuals.

(2) The cost of collection of smaller landholders with annual incomes of about Rs. 100 or thereabout is almost nil; but in the hands of Government, this collection will have to bear the full percentage. It is believed that at least half the rents collected from the cultivating raiyats are shared by such smaller landlords.

7. Another point also deserves consideration. A zamindar is what he is not only because of his money incomes but also because of the prestige and social position which the ownership of a zamindari connotes. There may be people in the Burdwan division richer than the Maharajadhiraj of Burdwan or in the Dacca division richer than the Nawab of Dacca, but nobody can compare with them in social position and general esteem which their zamindari brings them. If Government must acquire their zamindaris by a compulsory measure, these "intangible" assets may also have to be paid for. That this has an economic value is proved by the fact that many petty landlords pay revenue for estates which do not earn their revenue. If Government decide to pay for these intangible assets of the landlords, the debit side will be considerably swelled, as Government cannot earn any economic return on these payments.

8. On the liability side should also be added the following, viz.—

(1) The cost of the agency of compulsory acquisition. Under present rules, such cost varies from 5 per cent. to 20 per cent. of the total cost of acquisition. This expenditure will be heavy and must be met by borrowing against which there will be no separate asset.

(2) The annual demand of estates under the direct management of Government and the remissions granted for the last three years are given below:—

Year.	Demand.	Remission.
	Rs.	Rs.
1935-36	71,70,109	19,88,955
1936-37	71,00,040	8,34,438
1937-38	73,46,375	8,87,984
Total	2,16,16,524	37,11,377

The remissions work out at about 17 per cent.

It will appear that average remissions are about 17 per cent. of the demand per year.

(3) Government's expenditure *qua* landlord on irrigation is estimated to increase.

(4) Law charges of Government will increase considerably.

9. As against all this, Government will acquire the right in the future enhancements of rents; but this right is more fictitious than real on the following grounds:—

(1) No political party have championed nor are likely to champion this source of profit.

(2) There is hardly any scope for extension of cultivation in the permanently settled areas.

(3) Enhancement on the ground of rise of price is limited by the Bengal Tenancy Act. The trend of legislation is towards greater restriction in this respect.

(4) There is a large number of mokarari raiyats.

(5) The question of periodical assessment of the rents of raiyats cannot be thought of as (*a*) no political party is likely to support it; (*b*) it raises highly controversial points regarding the "unsettling" effects of periodical settlements and their retarding effect on the progress of agriculture—points which formed the subject-matter of a long controversy in the beginning of this century; (*c*) it raises the question of compensating raiyats.

(6) The bigger social aspect of the question of enhancement of rent apart from its purely fiscal aspect is likely to assume greater importance in future unless the country enters upon a phase of quick industrialisation. (The fiscal aspect is concerned with the ability of the land to bear the rent; but the bigger social aspect may enquire into the ability of the holder of the land to pay the tax.)

10. The above analysis clearly indicates that the State purchase of zamindaris cannot be looked upon as a bringer-in of larger revenues. It proceeds on the assumption that it is not proposed to expropriate without proper compensation, i.e., without paying the capitalised value of net profits. For present purposes it is not necessary to determine how many years' purchase will yield the capitalised value.

11. There is, however, an argument sometimes used which denies that Government need give the capitalised value. It is argued that all taxes are expropriations without compensation and that in this case we may look upon expropriation of landlords as a tax. But strictly speaking it is not a tax but a capital levy confined to a particular class and even within that class not graduated according to ability. It does not satisfy any of the canons of taxation. It will affect the landholder with a net profit of Rs. 100 a year but will not touch millionaires in other classes of society. It will affect the big landholder and the small landholder equally. It will not satisfy the canon of economy or convenience. It will change the whole make-up of society and spend millions for the sake of revenue not at all commensurate with the cost.

12. The following observations of the Finance Department made before the introduction of the new Constitution in this connection will bear quotation:—

> "It is sometimes, however, suggested that it will be open to the local Government under the new Constitution, by some act of

repudiation, disguised or undisguised, to extract from the land, revenue of which the Permanent Settlement deprived the exchequer. This is far from being the case. The land revenue lost by the Permanent Settlement, is, with few exceptions, not lying with those interests with whom the original covenant was made, as in a reservoir, that might be tapped; by a process of subinfeudation, subdivision and sale which has gone on for nearly a century and a half, it has entered into multitudinous hands and is practically the sole support of a large proportion of the present population which it has brought into existence. The Permanent Settlement and the consequences flowing from it are now the framework of the general economic life of the country; and, in the considered opinion of this Government, no tampering with that framework could, in the long run, produce financial gain to the State."

13. As regards imposition of a tax on agricultural income, that stands entirely on a different footing. It does not offend against the canons of taxation: and, in fact, the exclusion of agricultural incomes from the income-tax has no justification in theory.

The Taxation Enquiry Committee have fully investigated the question and the arguments need not be repeated. The Finance Department are investigating the question of imposing such tax in this province, with a view to devise a cheap but efficient machinery of collection and to estimate the probable net yield.

14. The substitution of Permanent Settlement by temporary ones is not also desirable as a fiscal measure on the following grounds:—

(1) The estimated increase in revenue is small.

(2) The cost of collection will be high.

(3) It will upset the entire land system of Bengal without bringing in large revenues.

(4) The question of compensating the landlords and the different grades of tenureholders will also arise here and if the point is conceded, there cannot be any net revenue to Government.

(5) A sharply graduated income-tax on agricultural income would bring in extra revenue without raising any of these complicated questions and without disturbing the land system.

Q. 14. Does not arise.

Q. 75. A statement showing the total expenditure on agricultural improvements in the colonisation and khas mahal areas since 1919-20 is placed below—

Land Revenue—Expenditure.

Management of Government Estates.

(In thousands of rupees.)

	Outlay on Improvements/ Agricultural Improvements.	Colonisation of Sundarbans/ Agricultural Improvements.	Total expenditure on Agricultural Improvements.
1919-20 ..	60	..	60
1920-21 ..	3,28	..	3,28
1921-22 ..	1,25	..	1,25
1922-23 ..	47	..	47
1923-24 ..	56	..	56
1924-25 ..	1,58	..	1,58
1925-26 ..	46	71	1,17
1926-27 ..	84	76	1,60
1927-28 ..	91	73	1,64
1928-29 ..	79	1,11	1,90
1929-30 ..	1,48	1,65	3,13
1930-31 ..	1,02	1,34	2,36
1931-32 ..	85	1,46	2,31
1932-33 ..	79	86	1,65
1933-34 ..	71	1,09	1,80
1934-35 ..	61	92	1,53
1935-36 ..	96	87	1,83
1936-37 ..	85	68	1,53
1937-38 ..	77	57	1,34

The variations are due to variations in the general finances of the province which they reflect fairly correctly. It is interesting to note that the ups and downs of these figures also correspond generally with

the ups and downs of index numbers of wholesale prices in Calcutta which are given below—

Year.	*Annual average.*
1915 ...	... 112
1916 ...	... 128
1917 ...	... 145
1918 ...	... 176
1919 ...	... 196
1920 ...	... 202
1921 ...	... 179
1922 ...	... 176
1923 ...	... 172
1924 ...	... 173
1925 ...	... 159
1926 ...	... 148
1927 ...	... 148
1928 ...	... 145
1929 ...	... 141
1930 ...	... 116
1931 ...	... 96
1932 ...	... 91
1933 ...	... 87
1934 ...	... 89
1935 ...	... 91
1936 ...	... 91

Supplementary questions and answers.

Q. 1. In 1938, the Revenue Department estimated that if all zamindaris and tenures above the cultivating tenants were acquired by the State as proposed by the Congress Party, Government would obtain an increase of revenue of 3·71 crores of rupees. On the other hand, Government estimated that if 20 years' net profits were paid to the landlords of all grades as compensation, a loan of 115 crores would have to be raised. The interest charges at 3½ per cent. would be about 4 crores and the annual contribution to sinking fund ·14 crores. Hence there would be an annual loss of 45 lakhs.

Do you agree with this estimate? If compensation was paid at 10 times the annual profits, would there be a profit of 163 lakhs?

Answer.

Different methods of estimating the gross income of zamindars and tenureholders.

It appears that three different methods of estimating the gross assets have been used. The results obtained by the three methods vary widely. They are roughly 16,00 lakhs, 9,11 lakhs and 10,00 lakhs respectively. The divergence in the result is very remarkable.

2. The estimate of 16 crores is obviously a wrong basis for the present purpose. It is based on the valuation of cess tenures which include a large number of raiyati and under-raiyati holdings. The wide divergence between the Bengal Tenancy Act tenures and the cess tenures is shown by the statistics collected in 1928 for 11 districts. It was found that in these 11 districts the total number of cess tenures was 3,726,206 though the total number of Bengal Tenancy Act tenures was only 1,677,823. Rai Bahadur M. N. Gupta rightly refused to accept the valuation of cess tenures as the basis of his estimate.

3. Rai Bahadur M. N. Gupta's estimate is arrived at as follows: Messrs. Ascoli and Momin had estimated the total income of rent-receivers in Dacca and Jessore, respectively. He divides each of them by the total number of rent-receivers in Dacca and Jessore, respectively. The result is the *per capita* income of the rent-receivers. The *per capita* income so arrived at is applied to the entire permanently settled area of the province, and he arrives at the total income of the rent-receiving population of the province by multiplying the *per capita* income so found by the number of rent-receivers as given in the census tables of 1921. His estimate is 9,11 lakhs.

The Rai Bahadur's estimate is liable to criticism as follows:—

(1) There is danger in applying the average of two districts only to the whole of Bengal.

(2) The census figures of rent-receivers is not accurate for our purpose, as the Rai Bahadur himself points out in paragraph 6 of his report.

(3) The valuation of produce rents in Jessore and Dacca was made at a time when the price of paddy and jute was much higher.

(4) The census figure includes areas within the khas mahals and is therefore exaggerated so far as the present enquiry is concerned.

4. The Revenue Department estimate takes a more correct line of attack. They find out the average rate of raiyati rent for 11 districts

and apply it to the entire permanently settled area of the province. They arrive at an estimate of 1,00 lakhs by this method. But, apart from the fact that there is danger in applying to the whole province the average of 11 districts only (and there is hardly any reason why we should remain content with the figures of 11 districts only when figures for nearly the entire area is available), the estimate makes the obvious mistake of not excluding rivers, jungles and wastes (not included in raiyati holdings) from the total areas under Permanent Settlement. So a correct estimate even according to this basis would be lower than 1,00 lakhs.

5. *Cost of management by Government.*—In 1934, the Board of Revenue moved Government for increasing the budget allotment for management. They proposed the following:—

	Per cent.
Management proper ...	9½
Outlay on improvements ...	3½
Education ...	1
District Board for communication ...	1½
Total ...	15½

The percentages were to apply to the demand and not to actual collection.

Government agreed to 8 per cent. plus some fixed lump allotments for management proper, a lump sum of Rs. 50,000 for improvement works per year and 2½ per cent. for education and communication. Any further provision required for improvement in excess of the fixed amount was to be a subject for the Schedules. In the budgets of the current year and the next the agreed percentage for management proper has also been exceeded.

The budget provision for Government estates for the year 1939-40 is as follows:—

	Lakhs.
Management of estates (Land Revenue budget) ...	11·56
Education and Civil Works as agreed to above ...	2·13
Fixed lump allotments as agreed to above ...	·24
Total ...	13·93

The demand of Government estates in 1938-39 was as follows:—

		Lakhs.
Rent	...	73·07
Cess	...	4·51
Miscellaneous (3 years' average)	...	8·34
Total	...	85·92

So the actual budget provision of 13·93 lakhs works out at 16·2 per cent. of the total demand of 85·92 and at 19·0 per cent. of the demand of rent only.

These figures take no account of the cost of supervision by Collectors, Commissioners and Board of Revenue, which in view of our budgetary methods cannot be correctly ascertained. Rai Bahadur M. N. Gupta takes this cost at 1½ per cent. of the demand. It is certain that if the entire province were a raiyatwari tract, it would not be possible for Collectors or Commissioners to do the supervision as part-time work. Full-time officers of their rank will be required. It is difficult to estimate the cost; but we shall proceed on the Rai Bahadur's basis of 1½ per cent.

One of the chief reasons for which the Board of Revenue wanted a larger allotment for management was that the proportion between directly managed Government estates and farmed estates had changed since the time when the basis of calculation was last fixed. Even in directly managed estates, there are big tenureholders, collection from whom is easy. In absence of any farmed estates or tenureholder, the cost of collection is bound to increase. An additional 2 per cent., at least, must be provided for that. So on the basis of rent demand only, the minimum estimate of management cost that is possible is 22½ per cent. as follows:—

		Per cent.
Next year's budget	...	19
Superior supervision	...	1½
Estimated increase as in the last paragraph	...	2
Total	...	22

6. *Irrecoverables.*—This is difficult to ascertain. The annual average of the last three years' remissions already granted works out

at 17 per cent. of the demand. The average of the last ten years' is 7·15 per cent. Two factors require consideration in this connection, viz.—

(1) The above percentages are worked out on the demand of both directly managed estates and farmed estates. The directly managed estates also include a number of tenureholders. When there will be no farmed estate and no tenureholders, the remission must be larger.

(2) Remission of rents has recently found a place in the programmes of political parties. With the increasing political power of the agriculturists, remissions are likely to mount up at least so long as the pressure of population on land is not relieved.

Taking these two factors into consideration, any figure less than 12½ per cent. on account of remissions will not be a safe basis of calculation. This is much below the average of last three years.

7. *Cost of acquisition proceedings.*—The cost is supposed to be Rs. 1,000 per square mile. As this figure is based on past experience, we may accept it. At this rate the cost of acquiring 63½ thousand square miles will be roughly Rs. 6 crores. As against this expenditure, there will be no separate asset. So this would be added to the capital cost, in estimating the financial results.

8. *Rate of interest at which loans can be floated.*—It is better to proceed on the basis of a permanent loan in order to gauge the financial implication of the operation.

3½ per cent. G. P. notes are quoted to-day at Rs. 95-11. So the effective rate on them is about 3·7 per cent. The credit of the Government of India is supposed to be better than that of the Government of Bengal. Hence ordinarily Government of Bengal will have to offer a little higher rate. Three other factors will tend to raise the rate of interest, viz.:—

(1) The loan will be of a huge dimension.

(2) It is beyond the capacity of the ordinary revenues of the Government.

(3) The financial result of the big operation behind the loan will be considered by the public to be at best uncertain.

So if the necessary amount has to be attracted, a rate lower than 4½ per cent. cannot be thought of. If the policy behind the loan

cannot create public confidence, the rate may go much higher. This Government have no experience of such a huge loan operation; but the market is extremely sensitive and a small factor can suddenly push up the rate.

9. *Irrecoverables and collection expenses of landlords and tenure-holders.*—The bulk of the tenureholders are small men who hardly spend anything on collection except their own labour. They also hardly remit any rent as they are in constant personal touch with the tenants. The bigger landlords hardly pay living wages to their employees who chiefly thrive on abwabs. They seldom grant any remission but allow arrears to mount up. If the actual cost of collections and remissions could be ascertained, they would work out on the average to a very small figure. But we can for the sake of our calculation take the figure at 12½ per cent., as was done by Rai Bahadur M. N. Gupta.

10. *At what rate to capitalise the net profits.*—A fair basis would assume that the compensation given would secure to a man the same net income of which he is being deprived by the compulsory acquisition. If a man's net income from a property is Rs. 5 and we decide to issue 5 per cent. irredeemable bonds to him in lieu of the property, he can naturally demand a bond of Rs. 100. If we give him a bond of Rs. 50 only, we give to him an annual net income of Rs. 2½ only though we deprive him of an annual net income of Rs. 5. If a fair capitalisation basis of compensation is accepted, there cannot be any profit to Government out of the purchase. This has already been shown in our reply to question 13.

But there are various attempts to lay down a rate by a rule of thumb without reference to these relevant factors. Rai Bahadur M. N. Gupta has based his estimates on an assumption of offering 14 times the net profits. The calculation of the Revenue Department proceeds on the assumption of offering 20 years' purchase. Supplementary question I of the Land Revenue Commission addressed to us suggests the offering of 10 years' purchase. None of these assumptions take into consideration the current rate of interest, which ought to be one of the chief considerations. So the Finance Department offer no opinion as to how many years' purchase should be given though what they understand by the words "fair compensation" is given in the foregoing paragraph. We give below a few calculations of the result according as 10 years', 15 years' or 20 years' purchase is given. It is to be understood that we do not mean the calculations to prove anything, because the correctness of the data is not assured. They are simply meant to be specimens of calculations assuming the data to be correct.

11. The following calculations proceed on the assumption that the gross income of zamindars and tenureholders is Rs. 10,00 lakhs as estimated by the Revenue Department:—

A. The net profits of landlords and tenureholders—

Receipts.		(In lakhs of rupees.)		
Collection	10,00	Government Revenue ..		240
		Cesses		50
		Cost of management and irrecoverables at 12½ per cent. ..		1,25
				4,15
		Net profits ..		5,85
	10,00			10,00

B. Cost of acquiring the different interests—

(1) *at 10 years' purchase:—*

	(In lakhs of rupees.)
10 years' purchase	58,50
Cost of acquisition proceedings	6,00
Brokerage and discount	73
Total ..	65,23

(2) *at 15 years' purchase:—*

15 years' purchase	87,75
Cost of acquisition proceedings	6,00
Brokerage and discount	1,07
Total ..	94,82

(3) *at 20 years' purchase :—*

20 years' purchase	1,17,00
Cost of acquisition proceedings	6,00
Discount and brokerage	1,41
Total ..	1,24,41

C. Management and irrecoverables at 35 per cent. of the demand : Rs. 350 lakhs.

D. Interest at 4½ per cent. :—

	(In lakhs of rupees.)
(1) at 10 years' purchase	2,93½
(2) at 15 years' purchase	4,27½
(3) at 20 years' purchase	5,60

The balance sheet therefore stands as follows :—

(In lakhs of rupees.)

I. At ten years' purchase.

Collection	..	10,00	Land Revenue	.. ..	2,40
			Cesses	.. ..	50
			Management and irrecoverables		3,50
			Interest	.. ..	2,93½
			Management of debt	..	1
			Profit and loss account	..	65½
		10,00			10,00

II. At 15 years' purchase.

Collection	..	10,00	Land Revenue	.. ..	2,40
Profit and loss account	..	69½	Cesses	.. ..	50
			Management and irrecoverables	..	3,50
			Interest	.. ..	4,27½
			Management of debt	..	2
		10,69½			10,69½

III. At 20 years' purchase.

Collection	..	10,00	Land Revenue	.. ..	2,40
Profit and loss account	..	2,02½	Cesses	.. ..	50
			Management and irrecoverables		3,50
			Interest	.. ..	5,60
			Management of debt	..	2½
		12,02½			12,02½

The above balance sheet takes no account of increased irrigation costs nor of the loss of the probable yield of an income-tax on agricultural incomes.

Q. 2. Would it be possible for the Provincial Government to raise a loan of 52 crores for this purpose? What rate of interest do you think Government would have to offer? What will be the cost of raising and administering a loan of this amount? Could it be taken by instalments spread over 12 years or longer?

Answer.—Under section 163(1) of the Government of India Act, 1935, the Provincial Government can raise a loan on the security of the revenues of the province within such limits, if any, as may from time to time be fixed by an Act of the Provincial Legislature. No such Act has yet been passed by the Bengal Legislature.

Government can raise a loan of 52 crores provided—

(1) they can meet the loan charges from their budget;

(2) the legislature does not pass an Act fixing a lower limit to their power.

On the present revenues, Government cannot meet the loan charges on Rupees 52 crores. Sufficient revenues must be forthcoming in advance, before a loan can be floated.

The Reserve Bank's advice will have to be taken in the matter of the floating of the loan, its amount, period, rate of interest, etc.

The effect of a big loan if taken in one lump for such a purpose on industrial finance, on the money market and on the circulating media also ought to be considered. If all the landholders accepted annuities, the thing would be simple. But if all demanded cash, the loan operation may have far-reaching consequences. This can be avoided by raising loans in large number of instalments; but that raises other problems.

The rate of interest is not possible to forecast. That depends on the market, the financial solvency of the Provincial Government, the amount of the loan required, the purpose of the loan and the nature of the public confidence in that purpose. It can be said with certainty, however, that, more than 3 per cent. would have to be paid for a loan of the dimensions contemplated (it would have to be a long term loan) if it were floated to-day.

The non-recurring cost of raising the loan would be:—

	In thousands of rupees.
Discount and brokerage 114×52	59,28
Advertisement charges (if loan is raised in one instalment)	
Total ..	59,32

The recurring cost at 3 per cent. interest would be—

The cost of management (2×52)	1,04
Annual interest charges at 3 per cent.	1,56,00
Total ..	1,57,04

To this will have to be added annual sinking fund charges. These will vary according to the number of years for which the loan is raised.

The loan could be taken in instalments spread over 12 years or longer, but that will make the operation extremely uncertain as nobody can forecast the condition of the market, etc., for such a long period.

The spreading over will also increase the cost of advertisement.

A statement showing the effect of raising a loan of 52 crores in 13 annual instalments, payable in 15 years at 3 per cent. is attached, assuming everything to be static during the period.

Loan of 52 crores spread over 13 years.

(Figures are in thousands of rupees.)

	For Loan of Re. 1 crore.	1939-40.	1940-41.	1941-42.	1942-43.	1943-44.	1944-45.	1945-46.	1946-47.	1947-48.	1948-49.	1949-50.	1950-51.	1951-52.
		4 crores.	4 crores.	4 crores.	4 crores.	4 crores.	4 crores.	4 crores.	4 crores.	4 crores.	4 crores.	4 crores.	4 crores.	4 crores.
Non-recurring charges.														
1. Discount of loans. (Issue price taken at 99 for every 100.)	1,00	4,00	4,00	4,00	4,00	4,00	4,00	4,00	4,00	4,00	4,00	4,00	4,00	4,00
2. Brokerage Charges, etc.	14	56	56	56	56	56	56	56	56	56	56	56	56	56
3. Advertisement charges, etc. ..	4	4	4	4	4	4	4	4	4	4	4	4	4	4
	1,18	4,60	4,60	4,60	4,60	4,60	4,60	4,60	4,60	4,60	4,60	4,60	4,60	4,60
Recurring charges.														
1. Interest on permanent loans. (Recent rate of 3 per cent. taken into account.)	3,00	12,00	24,00	36,00	48,00	60,00	72,00	84,00	96,00	1,08,00	1,20,00	1,32,00	1,44,00	1,56,00
2. Sinking Fund charges ..	5,38	21,52	43,04	64,56	86,08	1,07,60	1,29,12	1,50,64	1,72,16	1,93,68	2,15,20	2,36,72	2,58,24	2,79,76
3. Remuneration to Bank for management of debt.	2	8	16	24	32	40	48	56	64	72	80	88	96	1,04
	8,40	33,60	67,20	1,00,80	1,34,40	1,68,00	2,01,60	2,35,20	2,68,80	3,02,40	3,36,00	3,69,60	4,03,20	4,36,80

The recurring charges on account of the loans will not cease until after 1965-66 in which year the last loan will be repaid in full. The amounts of these recurring charges from 1939-40 to 1951-52 are shown in the above statement. The charges from 1952-53 to 1965-66 will be as shown below :—

Year.	Amount.	Year.	Amount.
	Rs.		Rs.
1952-53	4,36,80	1959-60	2,35,20
1953-54	4,36,80	1960-61	2,01,60
1954-55	4,03,20	1961-62	1,68,80
1955-56	3,69,60	1962-63	1,34,40
1956-57	3,36,00	1963-64	1,00,80
1957-58	3,02,40	1964-65	67,20
1958-59	2,68,80	1965-66	33,60

Note.—The figures against "Sinking Fund Charges" are made up of contribution to the Sinking Fund for loans already taken *plus* similar contributions for the new loan.

Q. 3. What agency would you suggest for calculating the compensation due to each co-sharer zamindar and each co-sharer tenureholder and for paying it out?

Answer.—We have no departmental information on the subject, but it would seem that some costly machinery such as wholesale revisional settlement proceedings or wholesale land acquisition proceedings under some central direction which probably the Board of Revenue would be unable to undertake in addition to their normal duties, would be involved.

Q. 4. What is the amount allowed in recent years for the management of Government estates? Is it true that there have been complaints about its insufficiency and that some of the money meant for improvements has had to be diverted to management?

Answer.—

(In thousands of rupees.)

	Budget.			Actuals.			Budget.	Actuals.
	Outlay on improvements.	Colonisation of Sundarbans.	Total.	Outlay on improvements.	Colonisation of Sundarbans.	Total.	Collection of Revenue (i.e. management of Government estates).	Collection of Revenue (i.e. management of Government estates).
1928-29 ..	2·44	1·99	4·43	2·33	1·95	4·28	9·98	10·17
1929-30 ..	2·25	2·58	4·83	2·32	2·51	4·83	9·95	9·90
1930-31 ..	3·27	2·33	5·60	1·93	2·09	4·02	10·40	11·04
1931-32 ..	1·65	2·26	3·91	1·48	2·17	3·65	11·54	10·83
1932-33 ..	2·20	1·28	3·48	1·12	1·44	2·56	11·38	10·44
1933-34 ..	1·00	2·07	3·07	1·07	1·69	2·76	10·91	9·58
1934-35 ..	1·00	1·92	2·92	·93	1·58	2·51	9·89	10·23
1935-36 ..	1·20	1·65	2·85	1·78	1·58	3·36	8·01	7·42
1936-37 ..	1·50	1·66	3·16	1·48	1·47	2·95	6·71	7·11
1937-38 ..	1·50	1·17	2·67	1·57	1·16	2·73	7·45	7·35

The last two columns of the above statement show the budget provision and the actual expenditure respectively for the last 10 years under "Collection of revenue" which represents the "Management of Government estates" proper. It will be seen that the expenditure under the above head was in excess of the budget provision in 1928-29, 1930-31, 1934-35 and 1936-37. It will also be seen from the above statement that there were savings under "Outlay on improvements" and "Colonisation of Sundarbans" taken together in the same years mentioned above. The savings were diverted to meet the excess under "Management of Government estates."

Before the year 1936-37 grants for the cost of management were calculated at 6½ per cent. on collections. There were complaints about the unsteadiness and insufficiency of this arrangement and a new basis of calculation was agreed upon. The new basis is 8 per cent. of the demand and took effect in 136-37.

Q. 5. Rai Bahadur Mahendra Gupta in 1932 estimated the cost of management at 10 per cent. of the rent-roll, 3½ per cent. for improvements and 1½ per cent. for supervision, that is to say the proportionate pay of the District Officer, the Commissioner, the Board of Revenue, etc. The total of 15 per cent. he estimated, would work out Rs. 206 a square mile.

Do you agree with this estimate? Would additional officers of the status of Collector and Commissioner be required for supervision?

Answer.—Not having the data, we have not been able to check the estimate. But it is certain that a large scale operation like the one proposed will require the supervision by additional officers of the rank of Collectors and Commissioners.

Q. 6. What has been the average cost of running the Co-operative Department during the last 20 years?

Answer.—The average cost was Rs. 6,37,000 as shown below:—

(Actuals in thousands of rupees.)

	Rs.
1918-19	2,55
1919-20	3,29
1920-21	4,04
1921-22	4,60
1922-23	4,68
1923-24	4,72
1924-25	4,17
1925-26	4,90
1926-27	5,46
1927-28	5,85
1928-29	6,35
1929-30	6,90
1930-31	7,53
1931-32	7,65
1932-33	7,31
1933-34	7,73
1934-35	8,12
1935-36	8,76
1936-37	11,28
1937-38	11,61
	1,27,50

1,27,50÷20=6,37.

Q. 7. What has been the amount spent on the Agricultural Department during the last 20 years?

Answer.—The total amount spent was Rs. 1,93,13,000 as shown below:—

(Actuals in thousands of rupees.)

	Rs.
1918-19	8,01
1919-20	8,57
1920-21	8,83
1921-22	9,88
1922-23	10,42
1923-24	8,42
1924-25	8,23
1925-26	8,50
1926-27	8,69
1927-28	8,49
1928-29	10,96
1929-30	10,59
1930-31	10,61
1931-32	10,37
1932-33	9,63
1933-34	9,66
1934-35	9,33
1935-36	10,09
1936-37	10,32
1937-38	11,53
	1,93,13

(*a*) Figures up to 1934-35 are exclusive of expenditure on "Sericulture" which was transferred to "Industries" from 1935-36.

(*b*) Figures up to 1936-37 are exclusive of English expenditure separate figures for which are not available.

Q. 8. What has been the expenditure on working the Agricultural Debtors' Act? What fees the Government received up to date? Would it be possible for Government to dispense with *ad valorem* fees on the adjusted or awarded debts?

Answer.—Expenditure on working the Agricultural Debtors' Act:—

	Rs.	Stationery and Printing of forms (allotment). Rs.
1936-37	1,07,307	
1937-38	7,93,322	73,000
1938-39 (1st 6 months) ..	5,48,280	
	14,48,909	

Fees received by Government up to date:—

	Rs.
1936-37	28,628
1937-38	5,40,473
1938-39 (1st quarter) ..	3,14,809
	8,83,910

On the other hand there has been a heavy drop in receipts from Stamps:—

Judicial Stamps:—

	Rs.
1935-36	2,20,27,000
1936-37	2,19,77,000
1937-38	2,06,73,000
1938-39 (Revised) ..	1,80,00,000

So far as Finance Department is concerned, No.

Q. 9. What further sources of taxation admissible to the Local Government have been suggested during the last 10 years? Is there, in your opinion, any possibility of raising more money for the improvement of the economic position of the agriculturists by any form of taxation?

Answer.—(1) A list is given below.

(2) Yes, but the scope may not be great.

Taxation proposals considered during the last 10 years.

(1) Tax on professions, trades, callings and employments.
(2) Raising of gun license fees.
(3) Tax on mineral water.
(4) Amusement tax.*
(5) Tobacco Sales licensing tax.*
(6) Some Sales Taxes.
(7) Tax on the cultivation of "Pan".
(8) Motor Vehicles Tax.*
(9) Electricity Duty.*
(10) Raising of Court-fees.*
(11) Raising of Stamp duties.*
(12) Tax on Advertisements.
(13) Tax on patent medicines.
(14) Betting Tax.*
(15) Police rate in Calcutta.
(16) Succession Duty (Death Duty).

Legislation was passed in respect of those marked with an asterisk, but number 5 has since been dropped.

Q. 10. What is your opinion on the advisability of taxing agricultural incomes either as a substitute for land revenue, or as an addition to it?

* **Answer.**—The question of an Agricultural income-tax as a substitute for land revenue was never investigated in this Department. But the question of such an income-tax in addition to land revenue is being investigated.

Q. 11. Supposing 12 crores is the total amount paid as rent by agriculturists of Bengal and this is treated as their contribution to the expenses of the State (though actually the major part is intercepted by the landlords), how does it compare with the taxes paid by non-agriculturists in proportion to their income or resources? What is supposed to be total taxation of the people of Bengal including taxes collected by Government of India? What is total income on which income-taxes are levied?

Answer.—(*a*) No data available in the Department.

(*b*) To try to determine accurately the incidence of taxation in a country is to try something impossible. In Bengal it is even more difficult as there are no reliable statistics. The subject was within the terms of reference to the Taxation Enquiry Committee; but all that they could do is found in Chapter XIV of their report. But a rough idea may be obtained from the following table, extracted from page 230 of the Report of the Simon Commission, Volume II.

Provincial Revenues and Central Revenues collected in the Provinces, 1928-29 (in lakhs of rupees).

	Rs.
Provincial—	
Land Revenue	327
Excise	225
Stamps	355
Income-tax	....
Forests	31
Irrigation	—1
Other heads	160
Total ..	1,097
Central (collected in provinces)—	
Customs	1,850
Taxes on income	615
Salt	176
Opium	....
Other heads	36
Total ..	2,677

Since then we have introduced several measures of taxation in the province which yielded Rs. 38,14,924, in 1937-38. Rates of some old taxes have also been increased.

(*c*) Rs. 35,15,65,303, *vide* Return No. 4 of the Annual Return of the Income-Tax Department for 1936-37. It is to be noted that the figure is for incomes assessed in Bengal. No satisfactory formula for allocating this between provinces of origin has yet been found.

Q. 12. Do you think it possible for Government to take the responsibility of financing the agriculturists in times of need by establishing an Agricultural Bank in every thana with a capital of Rs. 20,000 to Rs. 40,0000, and allowing short-term loans at 6¼ per cent. interest to be realised just after the harvest? If the Government secures the requisite capital by floating a 3 per cent. loan, will not the margin of profit, together with the amount now spent on the Co-operative Department be sufficient to meet the expenses of running the Agricultural Banks?

Answer.—A reply to this question is not possible without making a thorough examination which requires more data and time than this Department has got. But, apart from the question of policy, the proposal seems *prima facie* to be financially unsound on the following grounds:—

(1) The margin of 3¼ per cent. seems to be utterly insufficient for a sound bank of the type proposed. 3¼ per cent. of Rs. 20,000 means about Rs. 52 per month. Deductions must be made from this amount for (*i*) allocation to the Reserve Fund, (*ii*) allocation to the Bad Debt Fund and (*iii*) for arrears of interest. There may not be any balance left or if there be any it will be too small for meeting the management cost and contribution to the cost of a Central Control which is asssential to such a scheme.

(2) It is very doubtful whether a bank of this type, whose rules must of necessity be rigid, can make a sound investment of Rs. 20,000 in each thana.

There being 626 thanas in the province *minus* the town of Calcutta, the Banks, with a capital of Rs. 20,000 each, will require a capital of Rs. 1,25,20,000. It is uncertain whether a permanent loan of this sum can be raised at 3 per cent.

Q. 13. Do you agree with the statements that a tax of one pice per rupee on all articles of luxury would yield an annual income of 2 crores? If not what is your estimate?

Answer.—The estimate cannot be checked without knowing the basis of the calculations by which the amount of Rs. 2 crores has been arrived at.

This Department cannot make any estimate unless—

(1) They get an exact list of the "articles of luxury" to be taxed; and

(2) They know the mode of levying the tax.

Q. 14. The Swan Committee recommended a saving of 1·84 crores by retrenchment in the cost of administration. What saving has been made up till now by giving effect to these recommendations?

Answer.—The savings recommended by the Swan Committee is Rs. 1,82,65,300 and not Rs. 1·84 crores. (There was a mistake of Rs. 2,30,700 in calculating the total in the Report.)

As against this sum, Government have effected saving of Rs. 1,30,99,267 as follows:—

		Rs.
Economies	...	1,07,12,771
New Revenue	...	23,86,496
Total	...	1,30,99,267

Besides, the revision of pays and special pays, which has been undertaken and is expected to be finished soon will effect a saving of about Rs. 14 lakhs. That will bring the total to Rs. 1,45 crores in round figure.

Q. 15. (*a*) Up to what year was Land Revenue credited to the Central Government and the Province dependent for all its expenditure on amounts allotted from the Central budget?

(*b*) Is it certain that if the Land Revenue had been 6 crores instead of 3 crores the extra amount would have been available for expenditure in Bengal?

(*c*) Is it possible to give any information as to the schemes of the Local Government which could not be carried out for want of money between 1890 and 1920 and how the extra revenue of 3 crores would have probably been spent according to the order of importance in which those schemes were placed at the time, if it had been available?

(*d*) When did the demand for nation-building schemes assume importance?

Answer.—(*a*) Before 1882, all revenues were Central and provinces were given fixed grants for definite services. In 1882, the "Settlement" system was introduced. After that "Land Revenue" was a divided head, being shared by the Centre and the provinces. In 1921-22, it became entirely a provincial head.

(*b*) No. As it was a divided head, Bengal could only get a share in the increase. But that also is doubtful as the settlements were based not on provincial revenues but on supposed provincial needs, and the provincial Government has no inherent legal right to the revenues. In legal theory all revenues belonged to the Centre, the settlements made with the provinces being purely based on administrative convenience.

(*c*) No information is available, as no schedules of expenditure are available for years prior to 1931-32.

The question how the extra revenue of 3 crores would have been spent between the years 1890 and 1920 hardly arises in view of the reply to (*b*) above. Moreover, in absence of schedules we cannot give any information on the point. Even if schedules were available, we could not indicate the order of importance of schemes, as the schedules show the order of urgency of schemes within each major head and not the absolute order of urgency.

The question is further complicated by the fact that during the years between 1890 and 1920 the provincial boundaries varied widely. The present Presidency was formed only in the year 1912-13. Before that, eastern Bengal was separate from western Bengal and formed with Assam a separate province while eastern Bengal was linked with Bihar and Orissa. Before that again the whole of Bengal with Bihar, Orissa and Assam formed one province.

The following quotation from letter No. 8078-F., dated the 24th July 1919, from the Government of Bengal to the Government of India, in connection with the then impending financial settlement will however indicate that expenditure was being curtailed for want of funds:—

"Another important item under which expenditure was specially curtailed on account of war conditions is the administration of the recurring Imperial grants for education and sanitation. Under both these heads expansion was deliberately checked in accordance with the instructions of the Government of India; and it is estimated that a saving of Rs. 19·5 lakhs a year was made on this account. It must also be borne in mind that this Presidency was only constituted in 1912-13, and it can safely be said that it was not till 1914-15 that expenditure at all commensurate with the requirements of the province was undertaken. It is true that a considerable amount of expenditure incurred in that year was non-recurring, but the fact remains that, if even only the more pressing needs are to be provided for, a large increase of recurring expenditure is inevitable. The war has retarded provincial development, while the need for that development has grown even more rapidly than before. It is therefore not surprising that, even though the Budget of 1919-20 is

framed on more liberal lines than those of preceding years, the normal requirements of the Presidency exceed the Budget figures."

(*d*) After the introduction of the Reforms of 1919 and still more after the introduction of the new constitution.

Q. 16. Is it the case that when the preparation of records-of-rights was undertaken it was the order of the Government of India that they should be either maintained or revised at frequent intervals? In what years were these orders cancelled or modified and why? Why were the revisional operations in Midnapore and Faridpur for which funds were provided in the budget of 1938 to 1939 dropped? What parties have opposed (*a*) original settlement operations, (*b*) revisional settlement operations?

Answer.—No information is available in the Finance Department on the question. The Revenue Department and the Board of Revenue may be in a position to answer it.

Oral evidence of Mr. B. B. Das Gupta, representative of the Government of Bengal, Finance Department, on 20th February 1939.

In reply to the Chairman, Mr. B. B. Das Gupta said that the Finance Department's reply to the questionnaire and to the supplementary questions represented the view of the department. He could not say if it represented the personal view of the Hon'ble Minister. The Hon'ble Minister had seen the note and had not dissented from it.

In reply to Sir Frederic Sachse, he said that if the landlords and tenureholders are bought out it would be possible to give them bonds instead of raising a loan: whichever system is adopted, however, the method of calculation would have to be the same, and other financial effects would also be the same. There might be a difference in the nominal rate of interest but the effective rate would be the same in both cases. The buying operation will require time to complete. As soon as the first batch of bonds are issued, they will be placed on the market by the receivers and will have a market value according to the opinion of the market. If the nominal rate of interest is placed too low, the bonds will fall in value. If, again the market lacked full confidence in them, their value would depreciate still more. The next batch of landlords would not accept them *at par* if the market price was lower. Thus even by issuing bonds instead of floating a loan, it would not be possible to check the influence of the market on the effective rate of interest. The market value would automatically operate in determining the effective rate of interest, because the bonds would be transferable.

He had not considered the question of compensation to the landlords in the form of a permanent pension, but he thought that the financial effect would be much the same as in issuing bonds.

In reply to the Chairman, he said that if the bonds were made negotiable instruments the influence of the market would undoubtedly assert itself. It is true that if bonds could be issued at par at 3 per cent. there would be a saving of 1½ per cent. in interest charges, compared with 4½ per cent. Government loan issued at par; but in view of the possibilities of the bonds depreciating in value owing to the influence of the market, it might be necessary to issue the bonds at a higher rate of interest. The bonds would not probably command the same confidence as 3½ per cent. Government of India Paper which now yields an effective rate of about 3·7 per cent. and consequenly a higher rate would have to be paid by Government of Bengal.

In reply to Sir Fredric Sachse, he maintained that in preparing its estimate of the raiyati assets of the province the Revenue Department had applied the average raiyati rate of rent of 11 districts to the whole permanently settled area of Bengal, including rivers, jungles and other non-culturable areas. He said that he had consulted the Assistant Secretary of the Revenue Department on this point and the latter had agreed that non-culturable areas were included. If it is assumed that the raiyati assets, including the value of khas lands amount to Rs. 16 crores, there would be a larger margin of profit than if the assets were only Rs. 10 crores, if the State acquires all zamindaris and intermediate tenures. As regards the cost of management proper in khas mahal estates, he said that 9½ per cent. on the total demand is the figure which was asked for by the Board of Revenue. The agreed figure is 8 per cent., besides some lump grants; and this year it has slightly exceeded that percentage. If the province became a khas mahal, it might be possible to relieve a few Deputy Collectors of revenue work connected with permanently settled estates, but he thought that the number would be few, and not comparable to the large increase which would be necessary to manage the whole province. During the last three years remissions of rents have averaged 17 per cent. which is much higher than the figure of 12½ per cent. proposed for irrecoverables. He could not say how these remissions were distributed over the khas mahal area. He did not agree that the khas mahals are more liable to famines and floods than the permanently settled areas: he rather thought that the reverse is the case and that the khas mahals have been more immune from such calamities.

He said that no rational system has yet been found for discovering the incidence of taxation on agriculturists and non-agriculturists. As

a matter of fact, most taxes proposed during the last ten years have affected non-agriculturists but there are a few taxes, such as the increased stamp duty, which may equally have affected agriculturists. An attempt to determine the incidence of a country's taxation on a class basis was of no use in an enquiry into the justice of taxation, because ability to pay taxes has reference to individual incomes and not to class incomes. A class may contain all grades of incomes from the millionaires to the paupers and the ability of a class to bear a burden depends not only on the total income of the class but also on the distribution of that income among the individuals composing the class.

In reply to the Chairman, he agreed that the Indian Taxation Enquiry Committee had dealt with the question of justice in taxation by trying to determine the incidence on a class basis, but pointed out that the classification adopted by the Committee was of such a nature that a similar level of individual incomes could be assumed in each class.

Continuing to Sir Frederic Sachse, he said that it would hardly be possible to arrive at any conclusion regarding incidence of taxation by comparing the total income of persons assessed to income-tax in the province with the total value of Bengal's agricultural produce, viz., Rs. 1,435 crores and taking half of this as the net agricultural income. In 1936-37, Rs. 350 crores was the non-agricultural income on which income-tax was assessed in Bengal. It was only in 1921-22 that the land revenue of Bengal became a provincial head. Before that it was a divided head. All revenue thus belonged to the Government of India which used to supply the financial requirements of the province through a system of financial settlement to be in force for five years. The distribution of revenues was made not on the basis of provincial revenues but on the basis of supposed provincial needs. It is possible, therefore, that had there been an increased land revenue before 1921, the money might have been spent by the Government of India in other provinces. In those days there used to be a regular scramble for extra grants, and it was only after the Montague-Chelmsford Reforms that the provinces were given their own revenue. He could not say whether Bengal had asked for any special extra grants prior to 1921.

The needs and expenditure of the province between the years 1890 and 1921 cannot be compared as three different provinces were created during the period. The present province of Bengal was formed only in 1912-13. After that came the Great War and after that came the Meston Award. The province therefore could hardly develop on normal lines. Files before 1921 only show what expenditure was allowed and not what expenditure was refused.

In reply to the Maharajadhiraja Bahadur of Burdwan, he said that if bonds were issued to the landlords they would not be private but

negotiable instruments. It is difficult to say whether there would be public confidence in such a transaction. It is quite possible that if the market value of the bonds went down to say Rs. 80, landlords who had yet to receive compensation would refuse to accept such bonds at par. The floating of a loan and the issue of bonds would have the same financial result as the market would operate to put its own value on the bonds. If Government were to take a permanent lease of the zamindaris and the intermediate tenures in order to bring the State in direct touch with the tenants, the money market would not be affected: that would also be the case if Government took all estates under the Court of Wards. He had not examined the relative cost of management by taking a lease of zamindaris and of management after buying out the landlords.

There are a number of people who hold small zamindaris which yield little or no profit, but keep them merely for the sake of their prestige. The acquisition of such estates would be a financial loss: he could not say what would be the number of such estates.

In reply to the Chairman, he agreed that there might be a widespread krishak movement which would put the landlords in difficulties and depress the value of their estates: but this is an entirely separate question and the Department has not taken that into consideration in their opinion about a fair compensation.

The Chairman mentioned that in England the royalties in collieries had been bought out by Government and annuities had been given to the colliery owners securing to them a lower income than what they had previously obtained. Mr. B. B. Das Gupta replied that he would differentiate between the two cases because a colliery becomes exhausted after a number of years whereas a zamindari continues permanently. It might be true that the productive power of the soil was deteriorating, but that is a controversial question.

He agreed that in recommending that there should be no loss of income by exchanging zamindaris with bonds the Department had not taken into account what might be the future position of the landlords on account of socio-economic movements.

Continuing in reply to the Maharajadhiraja Bahadur of Burdwan, he said that in some areas small landlords and tenureholders spend practically nothing on the cost of collection whereas Government would have to pay the full percentage.

He agreed that if the province became a khas mahal Government would acquire the right of enhancing rents, but if all the objections enumerated in the reply to question 13 are true they would provide good reasons against State acquisition of zamindaris and tenures.

He said that even if land revenue forms a high percentage of the assets, as in some estates in Burdwan, the income from those estates also should be subjected to a graduated tax on agricultural incomes; he did not agree that in cases where land revenue is as much as 65 per cent. of the assets the zamindars' incomes should be exempted from assessment to income-tax.

The Finance Department was not prepared to say how many times the net profit should be paid as compensation: He agreed however that the Land Acquisition Act provides a reasonable rate of compensation for the purposes of the Act. He could not say whether in calculating compensation the possibility of obtaining future enhancements of rents should be considered: the Department's estimate had been prepared on existing assets.

In reply to Dr. Mukharji, he agreed that it might be a fact that Bengal paid 38 crores as taxes of which the Government of Bengal received only about 10 crores a year during the Montague-Chelmsford Reforms. The population of Bengal is 50 millions compared with 19 millions in Bombay, including Sind. Bengal may be paying 36 per cent. of the total income-tax but he did not agree that Bombay was paying only half that amount. He thought it was only slightly less than the amount paid by Bengal. Income-tax is paid entirely from non-agricultural sources and is derived from salaries, profits on business, professions, etc. It is probable that agriculturists contribute to the revenue derived from customs. He agreed that there is a very large number of middle-class tenureholders in Bengal. The number of tenures as estimated by Rai Bahadur M. N. Gupta some years ago was about 13 lakhs (the Commission's figure from Settlement Reports is 27 lakhs). If they were all bought out by the State, he considered that the effect on the social structure would be far-reaching and agreed that there might be a decrease in revenue from Court fees—he could not say how much. Remissions during the last three years in khas mahals had amounted to 17 per cent. In estimating the financial results of the State becoming the sole landlord, such remissions would certainly have to be taken into account. He had no figures to show the amount of rent paid by under-raiyats (the Commission's figure from Settlement Reports is 1·92 crores). If the landlords and tenureholders are bought out, the valuation of their homesteads would certainly have to be made on the basis of the rate prevailing in neighbouring areas. It would also have to be considered if, by buying out the landlords and the tenureholders, the social system of the province would be thrown out of gear. He agreed that there are certain intangible assets, referred to in the Department's reply, but it would be difficult to assess their value. There are sources of income derived from fisheries, gardens, etc., but these have already been taken into account.

The Finance Department still holds the view that the abolition of the Permanent Settlement would throw the social system out of gear and may not be conductive to the financial welfare of the province.

If proper compensation was not given, it would be a capital levy confined to a particular class and effected in a cumbrous and risky way. For these reasons, the department would prefer a tax on agricultural income. It is a canon of taxation that such a tax should be graduated in accordance with the levels of agricultural incomes. He would not, however, agree that landlords who pay as much as 65 per cent. of their income as land revenue should be exempted.

In reply to the Chairman, he agreed that in western Bengal some landlords may pay 65 per cent. of their gross income as land revenue whereas in eastern Bengal, some landlords may pay as little as 10 per cent. But this need not be taken into consideration in an income-tax on agricultural incomes because the tax itself will be graduated and will operate on net income. The incidence of land revenue was fixed at the time of Permanent Settlement and a tax on agricultural incomes would have to be levied irrespective of the incidence of land revenue.

Continuing to Dr. Mukherji, he said that the department had given an indication in its reply of what it considers to be fair compensation but he was not prepared to say how many times the net profit should be paid.

It would not be possible to guarantee the face value of bonds issued as compensation in the event of war or other unforeseen circumstances Those are ordinary risks which are common to all investments. As the income from the bond is guaranteed, the capital value of the bond need not be considered.

In reply to Mr. B. K. Roy Chowdhury, he said that the question has been frequently examined in the past whether taxation of various kinds is barred by the terms of the Permanent Settlement Regulation. Legal opinion has been taken and the Indian Taxation Enquiry Committee has discussed the question fully. He did not agree that the levy of a tax on agricultural incomes would amount to a breach of covenant.

The department's estimate had not included any additional cost which might be necessary to acquire mines and collieries. He said that the value of khas lands of landlords and tenureholders would also have to be included in the compensation to be paid. As pointed out in the reply, the system of valuation made by Rai Bahadur M. N. Gupta (the average value of khas lands in Dacca and Jessore as applied to the whole province) could not be considered satisfactory. At the time of the Jessore Settltment, paddy was selling at Rs. 3 a maund whereas its present price is Rs. 2. He could not say what is the amount paid by

zamindars by way of private charity. Such commitments might be considered in awarding compensation but it would be difficult to obtain figures showing the amount. He agreed that landlords pay considerable sums as municipal and union board taxes, and if Government became the sole landlord, it would certainly have to pay such taxes.

In reply to Khan Bahadur Hashem Ali, he could not give the number of petty estates from which little or no profit is derived but agreed that they would form a very small proportion of the compensation that will be payable. If the capitalised value of estates and tenures is to be paid there could be no gain to the State: for example, if a tenureholder's net income is Rs. 5, a bond of Rs. 100 would have to be issued at 5 per cent. It may be true that in the last few years, there has been reluctance to invest in land. He doubted whether it would be said that there is any market for zamindaris in the real economic sense of the word. The price paid for estates at revenue sales, which are forced sales, varies from 1 to 282 times the net profit according to the report of Rai Bahadur M. N. Gupta made in 1932. There were no figures for the last three years. He agreed that some landlords might be satisfied with 5 or 10 times the net profit of their estates but others might not be satisfied with 50 times. But in awarding compensation the primary concern is not the figure with which the zamindars would be satisfied. The cost of the acquisition proceedings has been shown in the Department's reply as Rs. 1,000 per square mile. This figure is based on past experience. It represents the cost of revising the records-of-rights, which are completely out of date. In some districts like Barisal it would be impossible for the State to proceed without revising all records-of-rights and ascertaining the net profits of landlords and tenureholders. If the province becomes a khas mahal he thought that the cost of management and the percentage of irrecoverables would increase rather than decrease. An additional 2 per cent. had been added to the estimate for increased cost of management. At present the cost of collection in farmed estates is practically nothing but if these estates were taken over, they would cost the full percentage rate for management. Law charges would increase as a whole, but not proportionately above the present figure. Government expenditure on irrigation would certainly increase: for example, in the Sunderbans there are many miles of embankments which are maintained by the landlords. If these estates are taken over, the cost of maintenance will fall on Government. Even if the cost of maintaining these embankments were deducted from the compensation payable, they would still have to be entered as a liability. They had not been included in the Revenue Department's estimate of 1,000 lakhs as net profits of landlords and tenureholders. The possibility of increasing the outturn of crops by effecting agricultural improvements is a question entirely separate from the proposal to buy out the landlords. If Government

spends more money on such improvements they may get an increased return. He adhered to the opinion (expressed in the quotation from the Finance Department's note written before the introduction of the new Constitution) to the effect that no tampering with the framework of the Permanent Settlement could, in the long run, produce any financial gain to the State. He could not say if that is the present view of the Hon'ble Minister but he had seen a copy of the note. The view of the Department is that to buy out the landlords would be in the nature of a speculation and will upset the existing social system in order to secure an inadequate increase in revenue and that in a cumbrous and questionable way involving a huge expense. For that reason the Department would prefer a tax on agricultural incomes. He agreed that such a tax would not be appreciated by the people paying the tax but pointed out that no form of taxation ever is popular. Both financially and economically, there is a strong case for a tax on agricultural incomes. He agreed that Government require more money for social services. The abolition of the Permanent Settlement would be a financial speculation which would probably result in little gain, but a tax on agricultural incomes would produce a definite increase in revenue without upsetting the existing system and without offending against any canon of taxation. He could not give any opinion if all the estates could be purchased by Government in revenue sales if the Sale Law was rigidly enforced and all Court of Wards estates were released.

In reply to Khan Bahadur Momin, he explained that cess amounting to 50 lakhs had been deducted along with revenue from landlords' gross assets because that is the share of cess which they pay from their own pockets. The figure of Rs. 1,000 per square mile as the cost of acquisition is based on the average cost of all settlement operations. If the records were to be revised without carrying out any cadastral survey, the cost would be reduced but he doubted if it would be as little as Rs. 500 per square mile.

Brokerage and discount would have to be included even if bonds are issued. Discount represents the difference between the face value and the issue price; and if bonds are negotiable, the market is bound to set a value on the bonds immediately after their issue. Brokerage would be necessary because the Reserve Bank would have to carry out the operation for issuing the bonds. The cost of management includes improvements which might not be considered, strictly speaking, as part of the cost of buying out the landlords but he would include them in the estimate, as improvement is a necessary concomitant of management and has always been considered to be an integral part of good management. If the cost of acquisition were reduced by half, the result would be that 62·23 crores would be the cost of compensating landlords and tenure-holders at 10 times the net profit and if the cost of management could be kept at 12½ per cent. there would be a profit of 3·04 crores. This

figure does not however include irrecoverables. He did not agree that 12½ per cent. could cover the cost of management plus irrecoverables for Government.

He could not say at what rate the zamindaris are now being purchased: if people invest in zamindaris they except to make profit. In the determination of a fair compensation the rate of interest is a chief consideration, but the previous estimates have not taken it into consideration. At present the rate of interest given by the Reserve Bank is 3 per cent., so that the capitalised value would be 33 times the net profit.

In reply to Khan Bahadur M. Hosain, he agreed that in Bengal the *per capita* revenue was probably the lowest. He could not say if this was due to the Permanent Settlement. This is not due to Bengal paying more than other provinces in income-tax and customs: it has to be considered on the basis of the financial arrangement of the Government of India Act as a whole. If the Permanent Settlement had not existed, the income from customs, court-fees, etc., might have been smaller than it is now. If there were not a large body of zamindars and tenureholders, the imports into Bengal might have been smaller.

He could not say whether the cost of management would be decreased if the entire province became a Khas Mahal because the area would be compact instead of being scattered as at present: it might be so.

His figures for remission in the last 10 years include the entire period of depression. He undertook to supply the Commission with figures for the 10 years previous to 1928. Asked how zamindars in temporarily settled estates could make a profit, when they are allowed only 30 per cent. for profit and collection charges, he pointed out that private management is much cheaper than Government management. The cost of revising the record-of-rights in the estates which were given certificate powers could be had from the Revenue Department. Even if bonds were given as compensation and issued at the market price, it would be necessary to pay the full capitalised value of the net profits. Irredeemable bonds would be better than redeemable for purposes of calculation because they would not involve charges for a sinking fund. In the case of a man whose net income is Rs. 100—if interest is taken at the current rate of 3 per cent. he would have to be given over Rs. 3,300 in order to secure to him the same income. If, however, it is intended to expropriate the landlords and tenureholders to the extent of half their net income or more it may be possible for the State to make a profit. The question of imposing a tax on agricultural incomes is now being examined by the Finance Department. It is very much better to have an assured income from that source of, say,

50 lakhs at no cost rather than enter into a speculative transaction which may show a larger profit at a huge cost. As regards the probable yield of a tax on luxuries, he could not say what proportion would be derived from business and trade: to say that half or one-third of the income assessed to income-tax was spent on luxuries is purely guess work. He could not give any opinion about the probable yield until it is defined what are luxuries.

In reply to the Chairman, he said that his impression was that the rent of lands in Calcutta was capitalised at the time when the land was originally transferred. It would be possible for the Finance Department to consider the possibility of raising additional revenue by imposing a tax on Calcutta property similar to that proposed by the Bombay Government. He undertook to have the question examined and to forward a note on the present position.

In reply to the Secretary, he said that he was not at present in a position to give any details in regard to the Finance Department's proposal for a tax on agricultural incomes. In Bihar a similar proposal has been made but the Bill has not yet passed into law. He agreed that the Department's estimate for buying out the landlords and tenure-holders does not include the cost of constructing and maintaining additional kutcheries, and quarters for Khas Mahal officers. This expenditure would have to be included. He also agreed that a large number of Khas Mahal officers would have to be appointed and trained for several years before they could take over their duties. This expenditure would also have to be included.

Notes collected by Dr. Radha Kumud Mookerji during his tours in Madras and some Bengal districts.

A Note on Madras Land System by Dr. Radha Kumud Mookerji.

Different Land Systems.—In the Madras Presidency, there are in operation three different land systems—

(1) Zamindari under which the assessment payable to Government is permanently fixed. The cultivated area under this system amounts to about 13 million acres from which the zamindars derive rental of about 240 lacs and pay to Government the annual revenue of 50 *lacs.*

(2) Raiyatwari or State landlordism under which assessment is revised every 30 years. This system covers a cultivated area of 25,266,691 acres, yielding a land revenue of about 6½ crores per annum.

This system is worked as follows:—

Classification of soil.—On the basis of a preliminary scientific survey, lands are divided into wet, dry and rain-fed.

Next, soil is divided into several main classes according to its mechanical composition and chemical properties. These classes number 14. Each class is subdivided elaborately. The total varieties of soil marked out in Madras number 66. Irrigated lands lend themselves to further subdivision according to the nature and efficiency of irrigation sources.

Grain-outturn.—After this classification of soil as the first step in Settlement, the second process is to ascertain the grain-outturn of each of these various classes of soil. This is done by conducting actual harvest experiments for a number of years. When the outturn is thus ascertained, a deduction of 15 to 25 per cent. is allowed for vicissitudes of season and for barren patches unavoidably measured with the fields.

Its money value.—The third process in the Settlement is the conversion of the grain-outturn into its money-value. The basis of this calculation is the average value of grain during the preceding 20 non-famine years. From this average price of grain, a deduction of 8 to 20 per cent. is made to allow for cost of marketing, transport charges and merchants' profits. The resulting balance is adopted as the commutation rate.

Cost of cultivation.—The fourth process in Settlement is to ascertain for each kind of soil the cost of cultivation. The difference between the money-value of the grain-outturn determined in the aforesaid manner and the cost of cultivation is taken as the net yield of each kind of soil. Half of it is taken as the State demand or land tax. This system is known as the half net produce.

Pattadar.—The person with whom Government enters into engagement for getting payment of land revenue on the above basis is called *pattadar*. Of these pattadars, more than 75 per cent. are small landlords paying less than Rs. 25 as revenue, and more than 50 per cent. are not themselves cultivators but get their lands cultivated by leasing them out to others.

(3) *Inam*, where there is payment to Government of a quit rent varying from 2 annas in the rupee to 5/8 the raiyatwari assessment in respect of land of corresponding quality and class.

Working of the zamindari system.—Peshkush.—The zamindari tenure is based on an assessment which was fixed at 2/3 of the total collections from the cultivators or raiyats at the time of the Permanent Settlement and is called by the technical term of *peshkush*. At the time of Permanent Settlement, $\frac{1}{3}$ of the total area of each estate was taken to be waste land. The zamindar was given the benefit to be derived from the reclamation of such waste land and extension of cultivation. This explains why Government fixed the zamindari revenue so high. The zamindars were constituted proprietors of land. The tenants, holding of them, were protected by pattas fixing the rents to be paid by them to the zamindars. The rights of tenants were somewhat undefined. This defect was removed by the Madras Estates Land Act of 1908 by which—

(*a*) Rent was payable either in cash or in kind with commutation of rent payable in kind by suit before the Collector;

(*b*) Rent can be enhanced only by suit before the Collector on the ground of rise in prices or increase of productivity consequent on improvement effected by landholder or on fluvial action; and

(*c*) Rent can be reduced on account of fall in prices, deterioration of soil or permanent failure of water-supply.

Rent in kind.—In zamindari tenures, the rent may be paid in kind. In raiyatwari, the revenue is always paid in cash. This hits hard the pattadars by the phenomenal fall in prices.

Occupancy rights.—Again, in zamindari occupancy right has been given to the raiyat in possession in 1908. But in raiyatwari the actual cultivator does not enjoy any such right. The reason for this is that the pattadar who was originally the person in occupation when the raiyatwari system was first introduced has later developed in most cases into a rent receiving non-cultivating absentee landlord.

Comparison of yield of revenue under zamindari and raiyatwari system.—The zamindari area covers 37,883 sq. miles = 23,604,887 acres (640 acres = 1 sq. mile).

The raiyatwari area covers 107,683 sq. miles. Land Revenue from zamindari area=65 lacs=roughly Rs. 200 per sq. mile. Raiyatwari revenue on 107,683 sq. miles=569 lacs=roughly Rs. 500 per sq. mile.

The raiyatwari revenue has grown by re-settlements and extensions of cultivation.

Raiyats and under-raiyats.—As has been already stated, in the raiyatwari system, the pattadar or registered holder of the land holds it direct from Government, subject to the payment of land revenue. The raiyat is not restricted in his powers of alienation, but is bound to pay the assessment fixed on his holdings, whether cultivated or waste, for a period of 30 years, though remissions of land revenue are usually granted for drought or other causes beyond the raiyat's control. The incidence of land revenue on fully assessed area per acre with reference to the total cultivated area (and not merely the total area)= Rs. 2-9.

According to the last Census Report, of 1,000 persons engaged in cultivation, (1) agricultural labourers number 429, (2) cultivating owners 390, (3) cultivating tenants 120, (4) non-cultivating owners 34, (5) non-cultivating tenants 16.

These figures show that agricultural labourers together with working owners constitute over 80 per cent. of the total number of persons engaged in agriculture numbering 5·09 millions in 1931.

The low proportion of non-cultivating tenants shows to what small extent subinfeudation obtains in Madras and from another point of view indicates the extreme smallness of the average holdings.

Size of holdings.—The bulk of the pattas are those which yield a land revenue of Rs. 50 and less. Of these, the pattas giving Rs. 10 and less form the largest number, about 80 lacs. This shows to what extent land is a source of living to the people.

Crops.—Of the net area sown amounting to about 34 million acres, about 30 millions or 88 per cent. grows food-crops, paddy alone taking 12 millions. Madras takes the fourth place among the provinces as regards acreage under rice cultivation. The total acreage in Bengal unler rice amounts to nearly 22 millions as against about 12 millions in Madras. The yield per acre in Bengal=894 lbs. as against 985 in Madras.

The average yield per acre of rice in Bengal=·38 tons, as against ·45 in Madras, 1·37 in Italy and 1·33 in Japan.

Condition of Peasantry.—The Madras Banking Enquiry Committee estimated rural debt at 150 crores in 1930. Debt follows credit in India. The more the borrowing power of the raiyat, the more does

he borrow. British rule increased security and increased indebtedness as a consequence.

"In India, agriculture is, with most cultivators with uneconomic holdings, more a mode of living than a business" (Royal Commission on Agriculture). It is a losing concern.

The gross value of the crops of the Madras Presidency was estimated at Rs. 165 crores for the year 1928-29 by the Banking Enquiry Committee. Owing to reduction of 50 per cent. in prices, this value is to be taken at Rs. 80 crores (for 1933-34) remaining for distribution among a peasantry of 34 millions, leaving a gross income per head of about Rs. 23-8. From this gross income are to be deducted the cost of cultivation, land revenue, interest charges, etc. Cultivation expenses come to about 40 per cent. of the yield. Thus from an yield valued at Rs. 80 crores, there is to be a deduction of about Rs. 32 crores for cultivation expenses and a further reduction of Rs. 8 crores for land revenue assessment and rent paid to zamindars. This leaves a net agricultural income of 40 crores for 34 millions or an income of Rs. 11-12 per head, assuming that no interest is paid on debt. Allowing Rs. 3 to Rs. 4 as income from other sources, the net income of an agriculturist cannot exceed Rs. 15 per head. This proves the utter bankruptcy of the peasant.

While the population increased between 1921-31 by 10·4 per cent., the net area sown has risen only by 1·5 per cent. and the total holdings by 5·7 per cent. The density of population per sq. mile is, however, only 329 as against 646 in Bengal. Thus Bengal's agriculture suffers most from over-population. Over-population is the main cause of rural indebtedness.

Features of Madras land system relevant to our enquiry.—These may be described as follows:—

(1) The State as landlord has determined assessment on a scientific basis by relating it to what the soil can yield by (*a*) an elaborate classification of soils, (*b*) ascertaining the average yield of each class of soil, (*c*) converting it into price at an average rate.

(2) The level of assessment under State landlordism is lower than in the zamindari but this is ultimately at the expense of the tiller of the soil. The Government in Madras is concerned only with the world of pattadars or raiyats and not with the under-world created by the raiyats by unrestricted subletting among a rack-rented peasantry.

The Government is thus ultimately more responsible for rack-renting of the tiller of the soil of whose existence and rights the Government does not take any cognizance. The zamindar, on the other hand, by fixing a higher level of rents does not leave any profit and scope to subinfeudation.

(3) The Madras level of both assessment and rents is much higher than that of Bengal. Half the net profit is believed to be the highest land tax in the world. Payment of revenue in money adds to the hardship of the system. To add to this, though the assessment is not enhanced during the currency of the 30 years' settlements, there is no limit to its enhancement in the form of water-rates, second crop charges and other miscellaneous items of land revenue during this period.

The average *wet* assessment per acre in the Fasli, 1903-04, was Rs. 5-9-9 as against Rs. 6-6-1.

For *dry* land, it was Re. 1-0-9 in 1903-04 as against Re. 1-1-8.

Enhancement is limited to a maximum of 18¾ per cent.

The level of prices for paddy in November 1933 was almost exactly what it was in 1902-03 at the time of previous assessment. The cultivators appropriated the benefit of higher prices which had ruled for about 25 years of this period of 30 years and are now not worse off during the present period of lower prices.

(4) Government in Madras has worked out in a scientific manner the expenses of cultivation for purposes of ascertaining its net profits as the basis of assessment.

In calculating net produce or profit, deductions are made from gross outturn to represent—

(1) an allowance for cartage of the grain to the nearest market;

(2) an allowance for merchant's profit;

(3) an allowance for vicissitudes of seasons;

(4) an allowance for unprofitable areas such as bunds and channels included in holdings;

(5) cost of seed;

(6) cost of ploughing cattle;

(7) cost of agricultural implements;

(8) cost of manure; and

(9) cost of labour.

A deduction of 10-27 per cent. is allowed for (1) and 6¼-25 per cent. for vicissitudes of seasons and for unprofitable areas. The remaining deductions are grouped under the head of "Cultivation Expenses".

In actual practice, the Government's share of half the net produce is in most cases only nominal and falls to less. Assessment does not count the cultivator's gains from growing commercial or garden crops. The cultivator may also gain by saving the cost allowed for labour by his own labour. He may save the cost of manure by supplying his

own manure coming from his cattle. Or he may often have much less expense in marketing his produce.

(5) In Madras, the agriculturist remains out of work for about 6 months in the year. This idle labour is sought to be employed by cottage industries such as spinning, weaving, carpentry, pottery, fruit growing, poultry-keeping, cattle-rearing, bee-keeping, sericulture, market-gardening, handicrafts, dealings with gold, silver, brass, bell-metal, iron and wood.

(6) Of the total assessment on raiyatwari holdings amounting to Rs. 602·44 lakhs for the year 1936-37, there was a total remission of Rs. 84·77 lakhs. This amounts to 14 per cent. remission related to season and the continued low level of prices of agricultural produce. This percentage of remissions is to be considered in the case of State landlordism.

Further, of the total arrear demand, only 51·04 per cent. was collected, 4·3 per cent. written off. The percentage of collection in the year 1935-36 was 21·3 and that written off was 72·5 per cent.

(7) The zamindaris in the year 1936-37 covered a total area of 13,242,230 acres. The estimated revenue realised by the zamindaris in the year is taken at Rs. 2,07,65,905. Out of this amount, they pay to Government a revenue of Rs. 46,81,840.

The total area of raiyatwari holdings in the year was 27,572,867 acres yielding the total assessment of Rs. 602·44 lakhs, besides water-rates and second crop charges and other miscellaneous charges which bring the total up to Rs. 7,18,86,414.

Result of a first hand investigation of the working of a model private farm.

The farm belongs to Thirumoshi at Poonamallee in Chingleput District.

It has an area of 60 acres of wet land.

Its gross yield consists of (*a*) 120 carts of first crop, (*b*) 90 carts of second crop, (*c*) 90 carts of third crop and (*d*) 120 carts of straw, valued at a total of Rs. 9,630.

The cost of cultivation per acre is to be counted as follows:—

16 ploughs = Rs. 8, at annas 8 per plough.

Seeds = Rs. 3-8.

2 labourers for transplanting seedlings for 2 days = Rs. 1-4, at annas 5 per head.

10 female labourers for transplanting the seedlings picked = Rs. 2-8, at annas 7 per head.

12 female labourers for 1 day for weeding out extraneous growths = Rs. 3, at annas 4 per head.

16 labourers for 1 day for reaping harvest = Rs. 3, at annas 4 per head.

12 labourers for 1 day for gathering in the harvest and remaining operations = Rs. 3, at annas 4 per head.

Manure of oil cakes = Rs. 15.

Total = Rs. 41 per acre.

The Farm is equipped with—

(*a*) Three wells.

(*b*) Three oil-engines.

(*c*) Twelve bullocks.

(*d*) Two carts.

(*e*) A staff of 3 workmen.

(*a*) Of the three wells, one of 24' diameter cost Rs. 1,000 in its construction. The other two of 16' diameter cost Rs. 500 each. The total capital expenditure on the three wells amounts to Rs. 2,000.

(*b*) Of the three oil-engines, one of 16 H. P. cost Rs. 2,300, the second of 12 H. P. cost Rs. 1,200, and the third of 8 H. P. cost Rs. 800. The total capital expenditure on the three engines amounts to Rs. 4,300.

The working cost of the three oil-engines involves the following items :—

(*i*) Cost of oil per day = Rs. 5-15 at Rs. 1-3 per tin for 5 tins required.

(*ii*) Two gallons of Mobil Oil per day = Rs. 2-4.

(*iii*) Cost of belting = Rs. 29.

Total cost for 260 working days on account of—

(*i*) = Rs. 2,160.

(*ii*) = Rs. 580.

(*iv*) *Add* to this the cost in wages of 3 drivers of 3 oil engines = Rs. 480.

(*c*) Six pairs of bullocks cost Rs. 1,000. Their upkeep costs Rs. 2 per day.

(*d*) Two carts cost Rs. 240.

(*e*) The staff of 3 workmen cost Rs. 24 per month.

The total capital outlay thus consists of the following items:—

(*a*) Rs. 2,000 for 3 wells.
(*b*) Rs. 4,500 for 3 oil-engines.
(*c*) Rs. 1,000 for 12 bullocks.
(*d*) Rs. 240 for 2 carts.
Total Rs. 7,540.

The recurring expenditure of the Farm per annum comprises the following items:—

(*a*) Interest on capital outlay of Rs. 7,540 at 9 per cent.=Rs. 675.
(*b*) Oil=Rs. 2,160.
(*c*) Mobil=Rs. 580.
(*d*) Belting=Rs. 29.
(*e*) Labour at cultivation (for 2 crops)=Rs. 4,920.
(*f*) 3 Drivers=Rs. 480.
(*g*) Upkeep of 12 bullocks=Rs. 720.
(*h*) Staff of 3 men=Rs. 288.
(*i*) Kist payable to zamindar=Rs. 450 at Rs. 9 per acre of wet land.
Total=Rs. 10,302.

Thus the Farm, as a purely agricultural concern, is not a profitable one, owing to the phenomenal fall of prices of its produce. The owner makes it a profitable concern by adding to it several handicrafts such as husking rice, spinning and weaving.

In assessing such a farm, Government as landlord will not allow in the computation of cost of cultivation the cost on account of wells, engines, oil and drivers.

[*References.*—Statistics have been gathered from the following among other Government publications:—

(1) Report on the settlement of the land revenue of the districts in the Madras Presidency for Fasli 1346 (1936-37) by J. F. Hall, I.C.S., and C. A. Henderson, I.C.S., Commissioners of Land Revenue.
(2) Report on Agricultural Indebtedness by W. R. S. Sathyanathan, I.C.S., 1935.]

Village inspection in the Sadar Subdivision of Birbhum district by Dr. Radha Kumud Mookerji, M.A., Ph.D., M.L.C., Member, Land Revenue Commission and Mr. S. N. Chatterjee, Subdivisional Officer, Sadar, Birbhum.

On the 3rd March 1939, we visited Kamalpur and Tarulia in Illambazar police-station, Tantipara in Rajnagar police-station and Bakreswar in Dubrajpur police-station.

At Kamalpur, one Sahádev Mondal was examined. He is a typical agriculturist owning 21 bighas of land jointly with his brother. The family consists of 9 members. Of the 21 bighas, he cultivates 15 and he has a bhagidar who tills 6 bighas. Rent varies from Rs. 1-8 to Rs. 1-10 per bigha. Except for vegetables grown on about 10 cottas of land mainly for home consumption, all the plots are on paddy. There is no irrigation facility and the prospect of crops depends entirely on rainfall. The average yield is 2½ maps = 6 maunds per bigha. The present price of paddy is Rs. 1-11 per maund. Besides the above 21 bighas he cultivates 9 bighas as bhagidar of another person. The yield is much smaller in these plots on account of poor quality of the soil and for want of sufficient manuring. The share of the bhagidar is 1/3rd of the produce where the cattle, plough and manure are supplied by the owner, but 9/20th of the produce is due to him if the land is cultivated with his own cattle and plough. A rough estimate of his income is given below:—

Total yield of paddy in 21 bighas at 6 maunds per bigha = 126 maunds.

	Rs.	a.
Price of 126 maunds at Rs. 1-11 per maund ...	212	10
Deduct bhagidar's share of produce in 6 bighas ...	20	4
Deduct cost of cultivation, e.g., seeds, manure, oil-cakes for bullocks, etc. ...	30	0
Add income from bhag in 9 bighas of land @ 2 maunds per bigha ...	30	6
Net income per annum ...	192	12

The rent is to be paid out of this income. At present, he is in arrears for 2 or 3 years because of failure of crops in 3 successive years.

A day-labourer was examined at Kamalpur. He has only 1½ bighas of land. The daily wages vary from 2 as. 6 p. to 4 as. but he does not get work every day. His case is undoubtedly very hard. He has to maintain his brothers who are young.

At Tarulia, another typical farm was visited. The owner has 32 bighas of land, all on paddy. The rent is Rs. 1-8. He has a family of 4. The yield is 6 maunds per bigha.

We then proceeded to Tantipara and Bakreswar. There is tassar industry at Tantipara. It was too late for a detailed enquiry but all indications tended to show that the industry had suffered much from foreign competition.

Village inspection by Dr. Radha Kumud Mookerji in the district of Tippera.

Diary of work of 4th April 1939 at Comilla.

I.

Mr. A. E. Porter and I started in the morning for Jorkaran, about 10 miles from the town.

2. We saw there Mr. Nishi Kanta Bose who was the Naib of Jorkaran Kutchery under His Highness the Maharaja of Tripura.

3. (*a*) He stated that the maximum size of a cultivator's holding was about 5 *drones* = 80 *kanis* = 32 acres.

(*b*) The rent was about Rs. 3-12 to Rs. 4 per acre.

(*c*) 1 *Kani* = 1¼ bigha = 0·40 acres, yields Rs. 1-8 as rent and 10 maunds of paddy (both *Aus* and *Pous*) valued at Rs. 20.

(*d*) Both varieties of rice are grown here.

(*e*) One bigha would thus yield 8 maunds of both *Aus* and *Pous* paddy.

(*f*) The rent would thus amount to about 1/14th of the value of produce.

(*g*) The estimate of the cost of cultivation of such a farm of 5 *drones* = 32 acres was thus worked out—

	Rs.	a.
(1) Cost of 2 ploughs	3	0
(2) Cost of 4 bullocks	100	0
(3) Cost of seeds at 5 maunds	12	0
(4) One labourer with food (cost of food = 2 annas per day) per year	60	0
(5) Feed of bullocks (per month)	2	8

It will be seen that items (1), (2), (3) represent capital outlay = Rs. 115 per year.

(*h*) Recurring expenses on 1 labourer and 4 bullocks amount to Rs. 130 per annum.

(*i*) The living expenses of the household of 5 members at 2 annas a day = Rs. 17 per month = Rs. 200 per annum.

(*j*) Total recurring expenses of the farm—(Rs. 130 + 200) = Rs. 330.

(*k*) A pair of bullocks at Rs. 50 will work for at least 5 years and a plough can be repaired annually at about Rs. 1-4.

Annual recurring charges for (1) and (2) should not be more than at the most—

(1) Rupees 2-8-0 and (2) Rupees 20.

(*l*) Total annual expenditure of the Farm is Rs. 477-8 as. comprising rent, Rs. 125; *plus* item (*j*) above, Rs. 330; *plus* item (*k*) above, Rs. 22-8.

(*m*) As the calculation of expenditure is based on cost of rice and no rice will be bought, the income should include the difference between value of rice consumed and paddy husked to produce it. Maximum consumption of rice would be on an average, 6 maunds annually or 30 maunds for the family which at Rs. 4 costs Rs. 120. Paddy (40 mds.) to produce this costs Rs. 80. The balance of Rs. 40 represents the womenfolk's contribution to the income by *dhenki* husking. This may be added to value of total gross produce at 10 maunds of paddy per kani—Rs. 1,600, making Rs. 1,640 in all.

II.

4. (*a*) We examined a farmer named Gedu Mia who owns 12 *kanis* of land growing both *Aus* and *Pous*.

(*b*) He pays the total rent of Rs. 27 = Rs. 5-8 per acre.

(*c*) He owns 4 bullocks and 2 ploughs.

(*d*) His is a joint family of 14 members depending on the farm.

(*e*) His daily cost of food includes 9½ seers of rice. He has to spend Rs. 2 for bazar purchases of all sorts including the food for his bullocks, oil, cloths, etc.

(*f*) Thus the daily cost of his food for his whole family may be counted at Rs. 1-4 = Rs. 9 per week = Rs. 36 per month = Rs. 432 per annum.

(*g*) The value of gross produce of his farm = Rs. 20 per *kani* = Rs. 240 per year. Deducting rent, his net income = Rs. 210 per annum.

[(*e*), (*f*) and (*g*). I should prefer to calculate thus—

(1) Gross produce equals 120 maunds of paddy which goes to produce 90 maunds of rice required for his family's consumption at 9½ seers daily.

(2) Charges are—

		Rs.	a.
(*a*) Rent	... ...	27	0
(*b*) Bazar expenses	... ...	100	0
(*c*) Depreciation of—			
Bullocks	... ...	20	0
Stock	... ...	2	8

A. E. Porter.]

(*h*) He is thus not solvent as an agriculturist. The main reason is that he has to support 2 families.

(*i*) He has thus a debt of Rs. 500 bearing a nominal 36 per cent. interest. Some of this debt he incurred for buying more land.

(*j*) He has not paid his rent for 3 years.

(*k*) He adds to his work of cultivation supplementary work in the shape of carting, poultry farming, keeping goats, husking paddy, oil pressing.

His food even includes occasional meat and milk.

III.

5. (*a*) We next examined a comparatively well-to-do cultivator (Mafizuddin) who also owns 12 *kanis* of land on which he grows both *Aus* and *Pous* and pays Rs. 24 as rent=Rs. 5 per acre.

(*b*) His land yields 100 maunds of paddy=Rs. 200.

(*c*) He hires a plough at 12 annas per day for 24 days in the year for purposes of cultivation.

(*d*) A plough has to be renewed annually at the cost of Rs. 1-4.

(*e*) He has a joint family of 8 members consuming 5 seers of rice per day and buys other necessaries for Rs. 2 per week from the *hats* assembling twice a week in the village.

(*f*) He owns 2 bullocks.

(*g*) His total expenses thus comprise the following items:—

	Per annum. Rs.	a.
(1) Rent	24	0
(2) Food (Rs. 15+Rs. 8 per month) ...	276	0
(3) Plough account	1	4
(4) Cost of two bullocks=Rs. 50 on which interest amounts to	6	0
(5) Debt account—		
His debt amounts to Rs. 150 on which he pays interest	54	0
Total ...	361	4

[(*g*) Here again I would say that of the 100 maunds of paddy grown 60 maunds goes to make the 45 maunds paddy consumed in a year at 5 seers daily. The balance of 40 maunds is worth Rs. 80: *deducting* rent at Rs. 24 the surplus is Rs. 56 against which is to be set—

	Rs.	a.
Depreciation of bullocks	5	0
Renewal of plough	1	4
Bazar expenses	100	0

A. E. Porter.]

(*h*) Thus while his gross income from cultivation amounts to Rs. 200 per annum, his expenditure per annum amounts to Rs. 24 + Rs. 276 + Rs. 1-4 + Rs. 6 = Rs. 307-8 which, together with Interest on Debt, will amount to Rs. 361-8 per annum.

(*i*) He is thus insolvent as a cultivator. His insolvency is due to dependence of 2 families on his small plot. If he had his own family to support, his annual expenses would amount to Rs. 307-8 – Rs. 138 = Rs. 169-8 and would thus be almost covered by his gross income.

(*j*) But he is very well-to-do on account of his substantial monthly income as a Chowkidar on a pay of Rs. 13 per month, to which he may be adding tips given by travellers using the bungalow.

IV.

Work on 5th April 1939 at Comilla.

6. We visited the village of Kansanagar about 10 miles from Comilla.

7. (*a*) We examined a cultivator named Safar Ali who owns 20 *kanis* = 7 acres (at ·3 of acre per kani).

(*b*) He pays the total rent of Rs. 42 = Rs. 6 per acre on two crops, if not three.

(*c*) He grows—

(*i*) *Aus* on 13 kanis yielding 80 maunds of paddy;

(*ii*) *Pous* on 20 kanis yielding 150 maunds.

(*iii*) *Jute* on 7 kanis along with *Aus* (April-September).

8. Taking price of paddy to be Rs. 2 per maund and of jute Rs. 5, he earns a gross income of Rs. 460 from paddy and Rs. 250 from jute amounting to a total of Rs. 710.

9. Even three crops do not give him work for all the months of the year. He is out of work for 4 months during which he has to find some handy subsidiary occupations.

10. This farmer is saddled with a very large family of 14 members comprising his aged parents, their 5 sons, 3 wives of 3 sons, and their 4 children.

11. The living expenses of this family may be roughly taken at 2 annas per head per day at Rs. 56 per month=Rs. 672 per year.

12. The details of expenses may be taken as per rates and calculations already given.

V.

13. We next examined another cultivator named Maidharali owning 6 Kanis=1·8 acres.

14. He pays rent of Rs. 11 or roughly Rs. 5-10 per acre.

15. He gave us an unusual fact. He uses cows instead of bullock for drawing the plough.

16. (*a*) He also goes in for 3 crops, growing—
(*i*) *Aus* on 2 Kanis.
(*ii*) Jute on 2 Kanis and
(*iii*) Pous on 4 Kanis.

(*b*) The gross yield of his paddy=14 maunds and jute=8 maunds.

17. He has a family of 8 members, consuming 5 seers of rice per day=45 maunds of rice per year derived from 60 maunds of paddy.

18. In spite of much heckling he maintained that his 2 acres of land yielded only 14 maunds of paddy, maximum 18 maunds.

19. To maintain himself and his family, he is compelled to work as a bargadar on 3 kanis, for which he pays a fixed cash rent of Rs. 9 per kani and gets about 15 maunds of paddy.

Remarks of Mr. O. M. Martin, I.C.S., Commissioner, Chittagong Division.

The diary is interesting, but it is difficult to draw any conclusions from it as regards the average size of a holding, or what size of holding is "economic". The assumption embodying the use of the word economic in this sense is either (1) when a holding is too small, it cannot be cultivated without undue expense, or (2) when a holding is too small, it can't support a family. In the first sense, no small holding is uneconomic, for the smaller it is, the cheaper it is to cultivate. In the second sense many holdings are "uneconomic", but whether a particular holding is too small or not, must depend on the size of the family, the fertility of the land, and the standard of living.

In the first sense, large holdings become uneconomic, when wages are high in terms of agricultural produce.

I think it will be found that under any small holding system, the cultivator tends to be badly off unless he is (1) free from debt, (2) very thrifty, (3) has a fairly low standard of living and (4) has some subsidiary occupation to fall back upon when crops are poor. The eastern Bengal cultivator ought to be well off on the average because—

(1) his land is fertile;

(2) he has money-making crops (jute, etc.);

(3) rate of rent is low;

(4) except in certain areas, the country is not overpopulated; and

(5) he does not suffer from famine as in West Bengal;

(6) he is a hard worker, as a rule.

Actually, he gets into difficulties because—

(1) He is fond of litigation;

(2) When prices are high he does not save but increases his living expenses and gets into debt for marriages, etc.;

(3) Village industries are on the decline, and the cultivator is idle for several months in the year. Generally speaking, he has no subsidiary occupation to fall back on;

(4) Large families, children's inheritance becoming too small. There are big exceptions, however, to this. Many petty cultivators work as bargadars, fishermen, day-labourers, etc. and so keep fairly prosperous. Maidharali (No. V) is a very good example of this. Thrift and hard work is more important than the amount of land held, in most cases.

Notes on discussions held by the Comilla Bar Library with Dr. Radha Kumud Mookerjee, M.A., Ph.D., Member, Land Revenue Commission on 5th April 1939.

Dr. Radha Kumud Mookerjee visited the Bar Library at about 2 p.m. on 5th April 1939 and was received by the President and other members of the Bar. An informal meeting was held with the President in the Chair. At the outset, the President welcomed Dr. Mookerjee on behalf of the Bar and requested him to open the discussion. After making some preliminary remarks with regard to the land revenue system, and observing that the rent paid by the tenants in the province of Bengal is the lowest in the world, Dr. Mookerjee asked the opinion of the Bar with regard to (1) the

fragmentation of holdings, (2) serious situation owing to the fact that cultivators sit idle for at least 4 months in the year, (3) fall in the prices of jute and paddy and (4) deterioration of fertility of the soil and the question of enhancement of rent if fertility be increased by means of irrigation.

2. With regard to the fragmentation of holdings, Babu Kshetra Mohan Roy stated that this should be checked by altering the law of inheritance and introducing law of primogeniture. Rai Bhudhar Das Bahadur and Babu Akshay Kumar Dutta opposed the proposal and Moulvi Abdul Wahed and Babu Umakanta Das also took part in the discussion. The President said that it was not possible to put a stop to fragmentation of holdings. Babu Nibaran Chandra Ghosh said that in China evils of fragmentation of holdings have been checked and the system in China should be followed. It was then agreed that it was not possible to check the fragmentation of holdings by introducing legislation.

3. As to the fact that cultivators sit idle for 4 months in the year Dr. Radha Kumud Mookerjee pointed out that it was a dismal picture and the condition of the agriculturists could not possibly improve if they remain idle for 4 months or more in the year. It was agreed that agricultural income should be supplemented by income from other sources and it was suggested that in the district of Tippera it was possible to introduce cottage industries such as basket-making, cane work, pen handles, umbrella handles, dairy, hookahs, buttons, mats seats, bee-keeping for adding to the income of the cultivators and improving their condition.

4. As to fall in price of jute and paddy, fixing a minimum price for jute was pressed. Dr. Radha Kumud Mookerjee stated that it was not possible to guarantee a fixed price of jute without guarantee in the matter of restriction of cultivation. It was pointed out to him that it was not feasible to fix price for paddy and rice.

5. As to deterioration of fertility of soil, Dr. Radha Kumud Mookerjee asked the opinion of the Bar as to whether rent should be enhanced if the fertility of soil be increased by irrigation. There was difference of opinion in the matter. Moulvi Abdul Wahed said that tax should be imposed for income from agriculture. The President opposed the proposal. There was no agreement among the members in this matter.

The President then moved a vote of thanks to Dr. Radha Kumud Mookerjee for kindly visiting the Bar and placing important points with regard to land revenue problem for the opinion of the Bar.

UPENDRA MOHAN DUTT,

President, Tippera District Bar Association.

Comilla, 6th April 1939.

Data collected in Tripura State.

Agartala, dated the 7th April 1939.

One interesting and singular fact I discovered in the Tripura State. The State levies export duty on its agricultural products. The principle involved in this arrangement is that when agricultural produce leaves the hands of its grower, the cultivator or tiller of the soil, and passes into those of traders seeking profit from its sale, the State has the right to a share of such profit. Coupled with this is the very commendable regulation that the entire proceeds of export duty on rice and paddy are strictly earmarked for the development of rural areas growing these crops in the shape of roads opening them up.

It is worthwhile considering if this source of taxation can be tapped in the British India districts for purposes of rural development. The middleman may be taxed for the benefit of the countryside and the peasantry growing the raw materials of trade and profiteering.

The Revenue Minister gave me the following statement in reply to my queries.

Statement.

Agricultural products.	Ordinary price per maund.	Rate of export duty. Per maund.	Export Statement (5 years' average).	Income (5 years' average).
		Rs. a.	Mds.	Rs.
1. Cotton with seed ..	Rs. 3 to Rs. 5	1 12	52,454	..
Cotton without seeds	Rs. 9 to Rs. 13	4 6	..	..
2. Til ..	Rs. 2-4 to Rs. 4	1 6	27,182	1,31,899
3. Mustard seeds ..	Rs. 5 to Rs. 6	0 2	33,643	..
4. Jute ..	Rs. 3 to Rs. 5	0 6	101,967	41,311
5. Tea ..	8 annas per lb. for export. 3 annas per lb. for Indian market.	2½ per cent. (of the gross sale proceeds).	2,424,631 (lbs.)	29,215
6. Rice ..	Rs. 3-8 to Rs. 4-4.	0 2 per md.	148,960 mds.	18,620
Paddy ..	Rs. 1-8 to Rs. 2.	..	..	..

The average rate of jama per kani is Rs. 1-3 in khas mahal land, the maximum being Rs. 25 and minimum 4 annas per kani of jute land.

No rent of land is levied for the land used for cotton and til, cultivation on jhum system and almost cent. per cent. of these commodities are produced by this system.

The entire income from item 6 is earmarked for road-making and road development.

Work of 9th April 1939 at Comilla.

On a request from the Tippera District Krisak Samity, I went to village Galimpur, about 14 miles from Comilla, with Babu Dinesh Chandra Chanda, Sub-Deputy Collector, deputed by the Collector to accompany me. On my arrival at the place, I met the Secretary and some members of the said Samity, in whose presence I conducted the enquiry.

I selected seven typical cases of cultivators and took down their evidence by examination and cross-examination. The evidence is thus set forth below:—

(1) Harish Chandra Nag owns 4 Kanis (·120×4=·480) of land which he cultivates by bargadars from whom he gets half the net produce. He maintains a family of 10 persons. He pays Rs. 5 as rent per Kani. His family consumes 5 seers of rice daily. He gets a gross produce of 40 maunds of paddy=26 maunds of rice valued at Rs. 104 at Rs. 4 per maund. The family cannot maintain itself by cultivation of a plot too small for its needs, and has to seek supplementary earnings. Thus one son works as a teacher on Rs. 14 per month, and two other sons are earning Rs. 15 on an average as rural physicians. This is a case of a family of cultivators rising from their original status and raising their standard of life.

(2) Nishikanta Acharjya owns 3½ Kanis of lands (·120×7/2=·420) bearing rent of Rs. 6-12 per Kani, and growing both Aus and Pous yielding a total produce of 50 maunds of paddy. He has a family of 9 members; consuming 5 seers of rice daily. He has to find supplementary income which, as a Brahmin, he earns by working as an astrologer to the rural folks.

(3) Ali Ahmad owns 15 Kanis of lands (·120×15=·1800). He grows Aus on 5-7 Kanis (during April-September) yielding 84 maunds of paddy; grows jute on 3 Kanis (during same months), yielding 30 maunds valued at Rs. 4-8 per maund; grows Pous (September-December) on 12 Kanis, yielding 100 maunds of paddy. Thus his total income from rice and jute=Rs. 503 per annum. He has a family

of 13 members (including 4 labourers he employs for cultivation). The family consumes 10 seers of rice daily for 9 members. Each labourer is paid Rs. 18 for 7 months' work together with food which costs Rs. 3 per month per head. He spends Rs. 1-8 per *hat* and Rs. 12 per month. He pays rent at the rate of Rs. 8-12 per Kani. His total expenditure thus amounts to (*a*) Rs. 144 for rice, (*b*) Rs. 144 for bazar purchases, (*c*) Rs. 156 for 4 labourers for 7 months in the year and (*d*) Rs. 131-4, totalling Rs. 575-4. He is thus practically self-supporting and would be much better off, were he not saddled with a large family.

(4) Fateh Ali owns 4 Kanis of lands and as usual, grows Aus, Pous and Jute. Total rent for these 4 Kanis=Rs. 36.

(5) Abdul Jalil owns 3 Kanis on rent of Rs. 27.

(6) Khan Mohammad owns 3½ Kanis on rent of Rs. 35-8.

(7) Asal Ali owns 3 Kanis on rent of Rs. 12 per Kani. All his lands have been sold out for debt of Rs. 200.

While recording the above evidence I came across some peasants migrating to Hill Tippera from Chandpur in search of 'fresh fields and pastures new' to work as bargadars with their plough cattle for 6 months up to October.

Many other peasants who were present there volunteered to tell me that they were very miserable under the zamindari system prevailing there and that the rent was very high in comparison with that in the neighbouring estates under the Tippera Raj, Khash Mahal, or Court of Wards.

During the enquiry, I could understand that the recent increase in rates of rents was due, in some cases, to increase in area of lands disclosed by re-settlement and, in others, to increase in value of produce of the lands.

R. K. MOOKHERJI.

DINESH CHANDRA CHANDA,
Sub-Deputy Collector.
9-4-39.

SUBODH MUKHERJEE, B.A.,
Member, Executive Committee,
Tippera District Krisak Samity.
9-4-39.

First day's work at Chittagong, dated the 10th April 1939.

On arrival at Chittagong I met the Collector and the Commissioner. With the latter, I had a useful discussion till midday. At 2 p.m. accompanied by the Collector and Babu R. Chatterjee, the Khas

Tahsildar, Sadar, Chittagong, I went to Halisahar, a typical seaside village of Chittagong, the revenue system of which is certainly interesting from many points of view, due to its peculiar geographical location and its close proximity to Assam and Burma.

Many tenureholders, cultivating raiyats and bargadars were present and out of those I picked out eleven typical raiyats of this side and examined and cross-examined them thoroughly. The result of the enquiry thus conducted by me is noted below:—

1. Monomohan Datta. He is a tenant who has no lands in his khas possession. He along with 31 other co-sharers, 7 of whom are Muhammadans is the owner of 6·75 acres of land for which he has to pay a rent of Rs. 19-8 to the Government. He has besides this a holding which bears a rental of only 5 annas but that holding consists of only a tank which belongs solely to him. From land the only income he derives is a share of the rent he receives from the under-raiyats who are in actual possession of the lands comprising the tenancy which belongs to him and his co-sharers. He works as a village Kaviraj and anyhow maintains his family. He is typical of Hindu semi-literate raiyat of this side. These classes of tenants think it beneath their dignity to cultivate their lands with their own hands.

2. One Thanda Mea who owns in all 10 kanis of land out of which on 5 kanis, he can grow only one Aman crop. Curiously enough this tenant too does not cultivate his lands himself but he has his lands tilled by bargadars. He says that he gets only 30 maunds of paddy in all as his share of the annual produce of those 10 kanis. He has a family of 7 members and requires at least 5 seers of rice per day. He has to spend Rs. 10 per month on an average on other necessaries of life. He has to pay in all Rs. 22-8 as rent. As paddy sells at the rate of Rs. 2-8 per maund this side, his total annual income from land is, according to his own statement, Rs. 75 only. Thus he is compelled to supplement his income by shop-keeping (i.e., by dealing in cloth).

3. One Nazir Ahamad who also owns 10 kanis of land, i.e., 2½ acres but who too does not cultivate his lands himself and gets his 10 kanis tilled by his bargadars. His lands are slightly of a better quality so that he gets 40 maunds of paddy as his half share of the produce of those 10 kanis which yield only one paus crop. His case is similar to that of Thanda Mea. Hence no further details need be noted here.

4. One Badar Samad who owns in all 12½ kanis of land for which he has to pay Rs. 22-8 to zamindars and Rs. 5 only to the khas mahal authorities. 8½ kanis out of 12½ kanis yields only one crop, viz., green paddy which is harvested in Kartick and the other 4 kanis yield two

crops, viz., aus and paus paddy. He gets 70 maunds of paddy in all, i.e., 39 maunds of rice. He has a family of 16 members as 2 of his brothers and 2 sisters also are dependent on him. He requires 14 seers of rice daily and has to spend Rs. 2 per week for buying other necessaries of life. He gets a supplementary income by growing and selling kachu and cocoanuts. He also rears fish in 3 tanks and sells fish. He had so far incurred debts in all amounting to Rs. 800.

5. One Abdul Khayer who owns 10 drones, i.e., 160 kanis. He does not cultivate any land himself. He is a prosperous middleman tenant, so further details are totally immaterial for the purposes of our enquiry.

6. One Aminulla who owns only 8 kanis, i.e., 3·20 acres of land but also works as a bargadar in respect of 12 kanis, i.e., 4·80 acres more. He says that he gets only 24 maunds of rice as his half share by cultivating those 12 kanis as a bagadar. His family consists of himself, his wife and 6 children. He had debts amounting to Rs. 350 in all. He was in debts for purchase of land, for building a house and for marrying two daughters. He requires Rs. 6 per month for buying other necessaries of life.

7. One Moslem Khan who is the owner of only 3 kanis, i.e., 1·20 acres and works as bargadar on 4 kanis, i.e., 1·60 acres more. His family consists of 5 members including 2 wives. He spends 8 annas per hat for buying oil, etc., and has to pay Rs. 7 as rent per annum. He gets only 9 maunds of rice as his half share from barga. His debts amount to Rs. 300.

8. One Fazal Rahaman who owns 3 kanis and works as a bargadar on 16 kanis more. He says that he gets only 9 maunds of paddy from his own lands and 20 maunds of rice only as a bargadar. He has a family of 19 members including his 2 brothers and their children who live in joint mess with him. He requires Rs. 2 per *hat* for buying the other necessaries of life. He supplements his income from land by fishing in the sea. He can catch 5 to 8 seers of sea fish per day and sells that fish generally at the rate of 3 as. per seer. The femalefolk of his house husks paddy regularly and he owns 4 bullocks for feeding which he has not to spend anything extra. He incurred debts to the extent of Rs. 400 for maintaining his large family in ten years.

9. One Daran Ali who owns 10 kanis and cultivates 5 kanis more as a bargadar. He has to pay Rs. 35 as annual rent for his 10 kanis (because his lands mostly lie in khas mahal areas, where rents are charged at slightly higher rates than in permanently settled estates, due to periodical enhancement at each succeeding settlement). He has 2 wives and 8 children. He gets 60 maunds of rice from his own lands and 18 maunds more as a bargadar. He requires 5½ seers of rice per

day and has to spend Rs. 7 per month in bazar purchases. He earns Rs. 20 more per year selling chillis and cocoanuts. He owns 5 buffaloes and sells buffalo milk regularly. Yet he has to raise Rs. 80 more per year for maintaining his family. He incurred a debt of Rs. 120 for marrying a second time.

10. One Fazar Ali who owns 4 kanis and tills 4 kanis more as a bargadar. He has 2 wives and 8 children. He grows and sells regularly chillies and water. He originally owned 14 kanis of land. To maintain his family he sold a portion of his lands, losing 10 kanis so far. His debts too amount to Rs. 500. He has to pay annual rent of Rs. 10 for his 4 kanis.

11. One Abdul Gani who owns 4 kanis himself and works on 4 kanis as a bargadar. He has a family of 3 members only and yet incurred debts to the extent of Rs. 200 because he required Rs. 50 once for buying 2 bullocks and Rs. 60 for rebuilding his house which was burnt by accident. He has to pay Rs. 9-8 for his 4 kanis.

We record some general impressions suggested by this enquiry—

(1) Too many of the people with whom we spoke found it evidently beneath them to till their own lands and thus save the cost of labourers or of an adhi share.

(2) Too many of them had more than one wife and consequently unnecessary extra expense.

(3) Not enough of them took advantage of the proximity of the sea and of the apportunity to make some extra income by catching fish therein.

(4) Too few of them bothered with merely making crops such as chillies.

(5) Debt to most of them seemed inevitable and unworthy of special mention.

R. K. M.

P. N. McWilliams,
Collector, Chittagong.

Chittagong Hill Tracts Land Revenue System, dated the 11th April 1939.

The following witnesses were examined by me on this subject:—

(1) Mr. Birupaksha Roy, brother of the present Chakma Chief.

(2) Rai Sahib Tanfrau Choudhuri, headman, Bohmong Circle.

(3) Babu Kamini Mohan Dewan, a Chakma headman.

The valleys which mostly consist of cultivable plains on which various crops are grown belong to the Government. The latter settle those lands for 10 years only at a time, charging at the rate of Rs. 3, Rs. 2 and Re. 1 per acre for three different classes of lands.

The hillocks belong to the three different tribal Chiefs, viz., (1) the Chakma Chief, (2) The Mong Chief and (3) The Bohmong Chief. The hill people known as *jhumias* can grow various crops on hillock also and they have to pay at the rate of Rs. 6 per *jhum*, i.e., as much land as one man can utilise for crop-growing. A *jhumia* never cultivates the same lands consecutively for 2 years. He generally clears up a patch of land by burning the standing jungles of that unit and then he sows several crops together, viz., (1) pahari (i.e., hill) paddy, (2) cotton, (3) maize, (4) linseed, (5) pumpkin, (6) white melon and several other vegetables like barbati and the like.

Out of Rs. 6 each jhumia pays as jhum rent, Government gets Rs. 1-12, tribal headman Rs. 2, and triabal Chief Rs. 2-4.

The cultivation work begins in Baisakh with clearance of jungle by burning and sowing of seeds. Sowing to harvesting requires about 6 months and for 3 months more in the year he can earn something by extracting forest produce and selling the same in the *hats* or to whole-sale traders of timber. The hill people, however, do not sit idle during any month of the year, because they work on dugouts and cane work in their leisure months and many work as day labourers by immigrating temporarily to other places.

The produce per acre amounts to 20 maunds of paddy, 5 to 6 maunds of cotton (with seeds) and other vegetables of the value of Rs. 3. Thus the market value of the produce per acre comes up to Rs. 67 out of which an amount of Rs. 6 is to be paid as rent.

Generally one family of jhumias cultivates about 3 acres of land for which only Rs. 6 are paid as rent out of a total income of Rs. 201 from those three acres. An average family consists of about 10 members. These hill tribes have yet incurred heavy debts. They borrow from time to time money at a high rate of interest because they are of nomadic habits. The main reason for indebtedness is a great increase of population so that at present no jhumia can cultivate as much as 3 acres. There are only 2 degrees of subinfeudation. This is a redeeming feature, but for which the economic condition of the tribal people would have been worse still.

R. K. MOOKERJI.

Camp Patiya, dated the 11th April 1939.

On arrival at Patiya accompanied by Babu R. Chatterjee, Khas Tahsildar, Sadar, Chittagong, I met many cultivating raiyats present

and after a prolonged talk with them I picked out a few typical cases and I am noting below the details which I could ascertain from them regarding the prevailing rate of rent and their mode of living and present economic condition.

1. One Sona Mea stated that he owns 4 kanis (=1·60 acres) of land for which he has to pay Rs. 15 as rent. Besides those 4 kanis, he also cultivates 4 kanis more as an eksona tenant (i.e., a tenant-at-will for a year). For those 4 kanis he has to pay Rs. 44 as rent. He has to engage for 7 months in the year 2 labourers, one of whom is a boy for helping him in cultivation work. His family consists of 6 members in all and he requires 7 seers of rice daily. He has to spend 12 annas to 14 annas per *hat*.

He grows 2 crops, viz., aus and amon paddy on his own 4 kanis and gets in all nearly 94 maunds of paddy and from the other 4 kanis which he cultivates as an eksona tenant. He gets besides paddy, chillies, brinjals and kachu valued at Rs. 15 to Rs. 20 per year.

The total value of the produce of his labour amounts to Rs. 141 (price of paddy) plus Rs. 15 or Rs. 20 (as price of vegetables), i.e., Rs. 156 or Rs. 161 in all. On the 2 labourers he has to spend Rs. 49 for 7 months and he has to pay Rs. 59 as rent, i.e., his net profit amounts to Rs. 48 or Rs. 53 only per year even if he has not to spend anything over his plough cattle and plough. Up to date this raiyat had incurred debts amounting to Rs. 310 in all because he had to borrow Rs. 150 for marrying a brother of his.

The Khas Tahsildar of Patiya who was present at the enquiry said that the yield of aus and aman crops as stated by this raiyat was an under-estimate. According to him 1 acre of land this side yields 20 to 25 maunds of aus and 25 to 30 maunds of aman paddy, so that by cultivating 8 kanis, i.e., 3·20 acres of land this raiyat must have got at least 144 maunds of paddy valued at Rs. 216, as paddy sells at the rate of Rs. 1-8 per maund locally.

2. One Tajumbal Ali said that he owns 12 kanis of paddy land which he cultivates through hired labourers. He too gets 2 crops but gets in all only 120 maunds of paddy (local Khas Tahsilar's opinion is that this was also a gross under-estimate). This man pays Rs. 35 as rent and has a family of 10 members in all, 4 adults and 6 children. He is a clerk of the local post office hence no further details need be noted as regards this raiyat.

3. One Abdul Mannan stated that he was once a teacher of a primary school but that he had taken to cultivation now. He owns 10 kanis of land (4 acres) for which he has to pay Rs. 32 as rent. He grows 2 crops and has a mamily of 4 members. According to him he gets 75 maunds of paddy only as his share of the produce of 4 acres

owned by him. His net profits thus amount to Rs. 80-8 ($75 \times 1\frac{1}{2}$= Rs. 112-8 minus Rs. 32 paid as rent). This raiyat had no debts however.

4. One Asad Ali (who was carrying milk to the local bazar for sale) said that he owns only 3 kanis (=1·20 acres) of land for which he has to pay Rs. 6 as annual rent. Out of those 3 kanis, 1 kani consists of his homestead and he grows only amon paddy on remaining 2 kanis. He gets only about 25 maunds of amon paddy valued at Rs. 37-8. As he cultivates his 2 kanis himself, he has not to spend anything on hired labourers. He has no bullocks of his own. He spends only 2 annas only per *hat* for buying oils, salt, etc. His family consists of only 4 members and he requires 4 seers of rice daily. He sells 1 seer of milk per day for 8 months in the year and gets 1 anna 6 pies daily by selling that milk. He sometimes works as a day labourer. He too has no debts.

The net annual profits from land which this raiyat derives amount to Rs. 31-8 only and from all sources his net income comes up to Rs. 80 or Rs. 85 only even if it be taken for granted that he can work as a day-labourer for about 3 months in the year on a monthly pay of Rs. 10 at least.

5. One Ali Ahmad said that he owns 12 kanis of land out of which $7\frac{1}{2}$ kanis are paddy-lands and the remaining $4\frac{1}{2}$ kanis are khila (i.e., land on which paddy cannot be grown). He has to pay Rs. 39 per year for $7\frac{1}{2}$ kanis of paddy land. He grows vegetables enough for family use throughout the year on $4\frac{1}{2}$ kanis of khila land which do not yield paddy. His family consists of 16 members in all as 3 of his brothers with their families live in joint mess with him. According to him he gets about 80 maunds of paddy valued at Rs. 120 as his share of the produce of the $7\frac{1}{2}$ kanis, i.e., his net profits amount to Rs. 81 only from that much of land.

He has no debts, however, because his brothers work in other capacities, one working as a deed-writer in a Sub-Registry Office and another as a clerk in a Khas Mahal Office.

6. One Korban Ali said that he owns 4 kanis of land for which he has to pay Rs. 16 as rent. He grows 2 crops only on 2 kanis and only 1 amon crop on the remaining 2 kanis. He keeps a cow and sells milk to the value of Rs. 3 per month. He cultivates 2 kanis of land more as an eksana tenant and works as a day-labourer also. His family consists of 6 members and he requires 5 seers of rice daily and 4 annas to 6 annas per *hat*. He could not tell what net profits he derives from the lands he cultivates but the profits may be calculated as follows:—

50 maunds of aus and pous paddy valued at Rs. 75 from 2 kanis;
30 maunds of pous paddy only valued at Rs. 45 from 2 kanis;
25 maunds of aus and pous paddy valued at Rs. 37-8 from 2 kanis which he cultivates as an eksana tenant.

Thus it is seen that his income from 6 kanis comes up to Rs. 157-8 minus Rs. 16 paid as rent plus expenses of cultivation.

R. K. M.

R. CHATTERJEE,
Khas Mahal Tahsildar,
Chittagong.

Report of a Conference with Chittagong District Bar Association.

At a Special Meeting held on 11th April 1939 at the District Bar Association, Chittagong, with Mr. S. L. Khastgir in the Chair, there was discussion with the members of the Chittagong Bar by Dr. Radha Kumud Mookerji about many points touching the agricultural, industrial and economic conditions of this country. Dr. Mookerji points out that agricultural holdings in our country being more and more divided amongst the descendants or heirs of the deceased agriculturists according to the laws of inheritance of both the Hindus and Muhammadans, no improvement of these holdings for solving the economic problems of the country is possible. He invited suggestions for the improvement of condition of the present agriculturists. There was one suggestion that in these holdings, the legislature should withhold the operation of these laws of inheritance and limit their scope, so that further division of holdings may not be possible to be applied in the case of the agriculturists alone. It was pointed out that such alteration of the laws of inheritance is never possible both in the case of the Hindus and the Muhammadans. It was placed before the Association whether or not economic holdings will suit the country. These are holdings fit to maintain 4 or 5 members of the family. If things are allowed to drift with regard to agricultural holdings and if the families of the agriculturists increase and all rest for their maintenance on the limited income of the holdings, the result will be simply disastrous. It was agreed to by the members that the public and the Government should join hands in making economic holdings popular in this country.

Another question was put to the members for reply, namely—how to strike a balance in price for the agriculturists as the price level of the commodities has gone down by 53 per cent. and the price of other commodities has gone down by 10 per cent. only. In course of discussion Mr. Susil Kumar Choudhury suggested that just in the way in which we had control of rice by the Government during war-time in the years 1914-18 between India and Burma, the price of food-stuffs or agricultural produce and no less the price of commodity-products can be controlled by striking a mean position so that the agriculturists

may have almost proper price for their products and people in general also may reap other advantages of the beneficent measure. It was agreed to by the members that there can be State control of price and the measure is bound to be beneficent for the agriculturists and for all.

There was lively discussion when suggestion was invited whether or not cultivators should be given every right to enjoy fruits of their toil on lands they cultivate and whether zamindars or landlords should be eliminated as the unwanted wheel in the chariot and whether or not rent-receiving is a crime in view of circumstances obtaining in the country.

Mr. Charu Chandra Sen, forcefully argued that rent receiving is never a crime and landlordism still now exists in every country on earth. Landlords form a very important and useful part of our system of society and their overthrow will not only bring about complete chaos in society not only by bringing a large number of unemployed people on the scene but also by dislocating every established mode of life in the country. Mr. Susil Kumar Choudhury opined that rent is unearned increment of land and rent-receiving without doing or having to do anything for the land or the cultivator, may not be crime because it is a strong expression meaning more than we say, but is surely a moral wrong. We have, whoever we are and whatever our status, no right to enjoy fruits of another man's toil, namely, that of the cultivator tilling the land. All benefits or income in any shape or form arising from land should morally belong to him and to none else.

As to giving employment to the huge number of agriculturists who for more than 5 months in a year remain idle at home, a really illuminating discourse followed. One members suggested that the spinning wheel or charkha has been prescribed by Mahatma Gandhi for the profitable use of time and energy by the cultivator during his protracted period of idleness. Swadeshi cloth worn by the people, made out of the coarse of fine thread brought out by the charkha of the cultivator has added income to the poor agriculturists of the country even though the demand of swadeshi cloth may or is more sentimental than permanent in the country. It was unanimously resolved that village industries and products of local artisans having ready market in the district or village should be encouraged both by the State and the public and agriculturists should be taught by the local enthusiasts or Government demonstration parties or propoganda officers free of charge with their simple tools or machinery these industries. Every district, thana, or village should choose the special cottage industries with ready market for home consumption and with small loans sufficient for the purpose advanced by Government co-operative societies. Otherwise these cultivators should usefully devote their time or energy during the protracted period of their idleness. These agriculturists,

unskilled labourers as they are, cannot join big mills or factories in large or small towns to make profitable use of their idle time. Mills or factories, as they are now, cannot give employment to this vast army of unemployed cultivators landless or not, in this country. The difficulty of immobile labour refusing to go from place to place or country to country for highest wages like labourers in Western countries have made the lot of the cultivators who can be labourers also for 5 or 6 months, miserable indeed. As conditions obtain in the country to-day, there is one way mentioned above open to us, viz., to give employment to cultivators during their 5 or 6 months of idleness.

It was suggested that agriculturists of Bengal are in every respect happy and should remain contented so far as their conditions in other countries of the world are concerned. They pay only one-fourteenth of their produce as rent to the landlords and their rights empowering them to remain on lands make them virtual proprietors of the soil they cultivate with payment of smallest amount as rent to the superior landlords. It is landlords, to whom permanent position was given by the Permanent Settlement to receive rents and pay Government revenue whose position is becoming even under Permanent Settlement more and more unsafe in the country. If any help is to be given to anybody in Bengal it is poor landlords whose mahals will be sold at once for arrears of Government revenue mercilessly and who are the only people whose resources are tapped for any beneficent move both on behalf of Government or the public for the general good and in the best interests of the country. Without entering into the biggest controversial question of the day in Bengal whether Permanent Settlement should remain or have its decent and compensatory burial, the sense of the House was that landlords should remain and as peasants or cultivators have not and cannot have any fear from the superior landlords, we will be unwise and wrong to give the go-bye to the landlords as they do not and cannot be tyrannical to tenants at their pleasure and as they form as a body motive-force of many a beneficent move in the country both on behalf of the people and the Government. It was therefore unanimously resolved that landlord system should remain and should not be disturbed with respect to their right or possession.

To another question whether the principle of barga system followed in Bengal's land system can stem the tide of subinfeudation or further subdivision of the land, it was agreed to after some discusion that the principle of barga system will help the cultivators and arrest further division and subdivision of tenancy of the agriculturists.

Cottage industries having local market and capable of starting with a small capital should be encouraged and agriculturists should be trained in these industries to profitably utilise the long period of idleness in the year and these special industries should be chosen and the public and the Government should in all possible ways train the

agriculturists for bringing out products in the open market so that the income of the agriculturists may increase and their leisure may be under the circumstances, most profitably utilised.

The President thanked the learned Speaker Dr. R. K. Mookerji and the Speaker thanked the members for their attention and participation in the discussion on the important topics of the day.

On board steamer SS. "Nilla" on way to Adinath, dated 12th April 1939.

On the steamer I met many raiyats and had had a full discussion with them and as a result I came across a few interesting cases which I cannot help mentioning here.

1. One Syedulla, a grandson of Khan Sahib Makbul Ali Chowdhuri of Chota Chanua, a paddy king, stated that his grandfather, instead of settling his khas dakhali lands measuring 400 drones (=2,560 acres), gets the entire area cultivated through hired labourers, ekshona tenants and bargadars (150 drones; i.e., 960 acres by the latter). His grandfather has to engage 100 labourers and to keep 300 buffaloes and 150 bullocks for this farming on a big scale. He gets 20,000 to 25,000 maunds of paddy valued at Rs. 30,000 to Rs. 37,500 from his khas dakhali lands for which his grandfather has to pay as rent Rs. 14,000 (including cess). The latter had not introduced any improved, scientific methods of cultivation however, though his cultivation is on such a big scale.

2. One Abdul Kader said that he owns 2 drones, i.e., 12·80 acres of land for which he has to pay Rs. 64 as annual rent. He gets 250 maunds of paddy valued at Rs. 375 only from his lands. He requires 4 ploughs and has to keep 8 bullocks for tilling these 12·80 acres. He has a family of 35 members and he requires Rs. 2-8 per *hat* for purchasing other necessaries of life like oil, salt, etc. He has no debts, however, because he has another source of income, as he works as a tahsildar on account of local Noabad talukdar named Ijjat Ali Chawdhuri of Rajakhali.

3. One Golam Haidar told me that he too owns 2 drones, i.e., 12·80 acres of land. He has to pay Rs. 100 as annual rent and requires 2 ploughs and keeps 5 buffaloes and 2 bullocks and has to engage 2 labourers for 7 months in the year for tilling his lands. He gets 320 maunds of paddy valued at Rs. 480 only from his 12·80 acres. He has a family of 10 members for feeding whom he requires 15 seers of rice daily. He has to spend Rs. 1-4 per hat for the purchase of other necessaries of life. He added further that his deficits were met by his brothers who were earning elsewhere in various capacities.

R. K. M.

R. CHATTERJEE.

Camp Adinath, dated 12th April 1939.

On arrival at Adinath I examined Babu Manindra Lal Chakravarti, Naib, K. C. Ray Estate, Chittagong, and scrutinised the papers produced by him.

1. It was seen that the estate was running a model agricultural farm an nearly 600 acres of khas lands at an annual cost of Rs. 3,000 From this farm are being distributed free seeds of various new experimental crops including sugarcane (Coimbatore 213 variety) to the tenants.

2. Remission of rents on account of failure of crops is granted as a rule by the estate.

3. Remissions allowed by the Government for damage to crops from flood water, saline deposit (what is locally known as *kos*) are followed by the zamindar in allowing corresponding remissions to the tenants of the estate.

4. Rates of rent per drone charged by the estate vary from Rs. 8 (minimum), i.e., 8 annas per kani to Rs. 28 (maximum), i.e., Rs. 1-12 per kani. Where maximum rent of Rs. 28 per drone, i.e., Rs. 1-12 per kani is charged, it is on the basis of the produce of 60 aris of amon and 40 aris of aus crop per kani. As 100 aris of paddy of both varieties sell at the average market price of Rs. 35 on this basis the rent charged amounts to about 1/20th of the produce. Out of the rent of Rs. 28 only realised for each drone of land by the estate, Rs. 7 per drone are spent in maintenance of embankments. The net rent is thus reduced to Re. 1-5=1/21st part of the produce.

5. Where the minimum rent of 8 annas per kani is charged, it is on the basis of produce estimated at 16 aris per kani. As 16 aris can fetch Rs. 6 in the market, it is evident that the rent charged amounts to about 1/12th of the produce.

6. Rents are not enhanced in case the cultivator grows additional crops or even when the prices go up.

7. The estate is maintaining 1 charitable dispensary (paying ¾th of its upkeep), several roads, 40 ring wells and 1 M. E. school.

R. K. M.

R. CHATTERJEE.

Camp Adinath-Mahishkhali, dated 13th April 1939.

I met a group of 26 occupancy raiyats who all cultivate their holdings themselves. In course of my talks with them I ascertained some facts which I am noting below by describing what 3 of those typical cultivators told me.

1. One Golam Bari said that he owns 30 drones, i.e., 192 acres of land for which he has to pay Rs. 700 roughly as rent. He has his lands cultivated through hired labourers engaged for 6 months in the year on a pay of Rs. 8-10 per month without food. He grows 6 varieties of local rice, tobacco, chillies, and brinjals. He has no debts.

2. One Ali Mia stated that he owns 1 drone 4 kanis=8 acres for which he has to pay Rs. 25 as rent. He grows 4 local varieties of rice, tobacco, potato, chillies, brinjals, watermelons and betels. He has a supplementary income of Rs. 4 per month by working as a teacher. He too has no debts.

3. One Mangal Chand told me that he owns 1½ drones=9½ acres for which he has to pay Rs. 35 as rent per year. He has to engage 2 labourers for 4 months on Rs. 3 per month in addition to food. He grows 4 local varieties of rice, chillies, tobacco and betels. He has a family of 14 members consuming 10 seers of rice per day and spends 12 annas per hat. His 3 sons work as day-labourers here and in Aracan. His debts incurred for marriages only amount to Rs. 200. His main complaint is that very often by periodic epidemic cattle diseases, he loses his cattle.

His net income may be calculated as follows:—

		Rs.	
350 maunds of paddy valued at	...	525	
Tobacco, chillies and betels valued at roughly	...	100	per year.
Gross income	...	625	

Deduct—

		Rs.
Wages of labourers Rs. 40 *plus* rent Rs. 35	...	75
Costs of maintaining 6 bullocks	...	144
Costs of 3 ploughs including repair charges	...	15
Total	...	234

The net income, therefore, amounts to Rs. 391 or at least Rs. 350 (minimum).

General remarks.

Adinath may be considered as a typical permanently settled estate in Chittagong. In other parts of the district there are found tenants who cultivate lands under owners of permanently settled estates as well

as under owners of temporarily settled noabad talukdars or etmamdars. I chose Adinath for this reason only. Adinath derives its name from the deity whose temple is situated there. The place is visited by thousands of Hindu pilgrims from all parts of Bengal during the mela period which commences from the Siba-Chaturdasi-day. The inhabitants of the island, therefore, can easily derive additional profits by selling various articles to these annual visitors.

The island locally known as Maheshkhali from which the channel that laps its shores borrows its name, is about 12 miles long and 5½ miles broad and is owned by Rai Bahadur K. C. Roy, M.L.A., who has to pay about Rs. 3,000 as rent and cess for it to the Government and the District Board. The total rent roll of the island comes up to just a little over Rs. 1,00,000 (gross). As it is a seagirt island, costly embankments have to be maintained by the zamindar on portions which are exposed to the sea. As the entire island is very fertile, the tenants inhabiting it are all fairly prosperous. The rate of rental charged by the estate is very low being only 1/12th to 1/21st portion of the produce.

R. K. M.

R. CHATTERJEE.

Deposition of Babu Jitendranath Dastidar, son of Priyakanta Dastidar, Forester of K. C. Roy Estate Moiskhali.

When we get any remission from the khas mahal, we grant corresponding remission to our tenants on condition that they would also grant similar remission to their under-tenants till it passes to the lowest stratum, i.e., to the tiller of the soil. I do not know of any single instance that our tenant getting remission did not pass it on to his under-tenants.

We make public the notices issued by the khas mahal authorities granting remission.

Deposition taken by me.

M. BANERJEE,
Khas Tahsildar,
Cox's Bazar,
Camp Moishkhali,
12-4-39.

I examined Afazuddin, son of Kaderbux of Bharamaheshkhali, police-station Moiskhali. He is an under-tenant of one Majidali Fakir

of Jafarali Munshi dail (Bharamoiskhali). Majidali is a tenant of Roy K. C. Roy Bahadur's Estate for T. K. No. 6. His rent for 1936-37 and 1937-38 had been entirely remitted as the lands were exposed due to breach of embankments and khal. The under-tenant Afazuddin deposes that he too got complete remission for 2 years.

Read over and admitted to be correct.

Thumb impression of Afazuddin taken in my presence.

M. BANERJEE,
Khas Tahsildar,
Cox's Bazar,
Camp Moishkhali.
12-4-39.

The remission that I had allowed as khas mahal officer to the superior landlord Ray Bahadur K. C. Roy for failure of crops to T.K. Nos. 956, 34958 and Jote No. 1 of Kutubjum was granted on the condition that it must be passed on by him to his under-tenants. I also generally make sure that this remission would be passed by the under-tenant to his under-raiyats at the time when remission is granted.

I also follow the above noted procedure.

R. CHATTERJEE,
Khas Tahsildar, Sadar.
M. BANERJEE,
Khas Tahsildar,
Cox's Bazar,
Camp Moishkhali.
12-4-39.

Deposition of Jahirulla, son of Fazalar Rahman of Barkhope, police-station Kutubdia, aged about 40.

1. I hold 1½ drones of lands, i.e., 9·60 acres under my direct cultivation. Of these lands 7·60 acres are under khas mahal and 2·00 acres under a private landlord. I pay Rs. 52-8 as my annual rent for the entire area held by me. Lands under khas mahal bear a rate of Rs. 5 per acre, whereas those under Talukdars under khas mahal about Rs. 6. I grow only one crop, viz., aman paddy in all my lands though it is possible to grow two crops. Average yield per acre in my lands is 100 aris (23 maunds)=Rs. 35. I have work for only 6 months, on

cultivation. I have got subsidiary occupation (1) Sampan plying and (2) running a small grocer's shop on hat days twice in the week with a stock of articles worth Rs. 200 renewed according to needs throughout the year.

2. The family of this man consists of 15 members including children. Total annual gross income of this family comes up to Rs. 340 as price of crops grown by him in his lands, and this is supplemented by the income derived by him from sampan plying and shopping which fetch an annual income of Rs. 200 and Rs. 100 respectively in the average and thus the total gross income of this family comes up to Rs. 640. The members of this family consume 8 seers of rice daily and have got to spend annas 8 to 10 per hat day which takes place twice in the week for purchase of other necessaries besides expenses of clothes and ceremonies. He has got 4 heads of buffaloes for cultivation, but he grazes them in his own lands and have very litle to spend on that account and he has got to spend some Rs. 5 or so on that account annually. Annual gross expenditure of this family would be Rs. 188 as price of rice, Rs. 58 as bazar expense, Rs. 100 as cost of cultivation, Rs. 100 for clothes, Rs. 100 for other expenses including educational expenses of children and Rs. 52-8 as rent, thus totalling Rs. 598-8. Thus he has a surplus of Rs. 41-8.

3. It transpires that peasants can easily get a higher price for the paddy they grow if they can wait till the next sowing season, viz., Jaistha (May). By thus waiting for 4 months they can get Rs. 1-14 per maund instead of Re. 1-9. This would mean an addition of Rs. 7 to the price of paddy per acre. It is worth considering whether the burden of this waiting can be thrown on the parties best able to bear it, i.e., the landlords and moneylenders who may realise their dues in the season of higher price. Present financial year expires on the 31st of March and the landlords insist on payment by March whereas price of paddy goes up generally in May and hence it may be considered if the last kist and the latest date of payment of the last kist might not be shifted up to May. It is also the case that peasants may seek to evade payment and spend the sale price of their produce in other ways at once, before paying their legitimate dues of rent and interest.

R. K. M.

M. BANERJEE,
Khas Tahsildar,
Cox's Bazar,
Camp Maheshkhali.
13-4-39.

Inspection Bungalow, Cox's Bazar, dated 13th April 1939, 4 p.m.

I.—Deposition of Rai Bahadur Bepin Behari Raksit, Chairman, Cox's Bazar Municipality.

1. He owns 4 kanis direct under khas mahal. Rent Rs. 6 for the total area. Rate Rs. 3-12 per acre. These are homestead lands.

2. He owns 7½ drones, i.e., 48·00 acres under 2 different tenure-holders. Rate Rs. 2 per kani, i.e., Rs. 5 per acre.

3. These are all for growing one kind of paddy, yielding 40 aris per kani, (i.e. 9 maunds per acre) worth Rs. 16. Rent is ⅛th of the produce. He states that it is not possible for Talukdar to deny him the remission which he gets from Government.

II.—Statement of Babu Nalini Ranjan Dutta, B.L., Pleader of 5 years' standing at Cox's Bazar.

1. He has stated that he has known of a case (rent-suit) where the raiyat did not grant his under-raiyat the amount of remission which he had secured from Government at the time of special Jamabandi Operation, which was legally due to the under-tenants. This fraud was detected in the course of legal proceeding. The raiyat was compelled by Court to grant the remission withheld.

I, however, gather that such cases of fraud are somewhat exceptional and not general. They are connected only with special Jamabandi Operation, where in some cases lump reduction was granted to tenureholders as a relief without any condition to pass it on to his raiyats and in some cases post-card notices issued to under-raiyats were not properly distributed. In these latter cases, the fact of remission was not widely circulated.

Statement of Moulvi Makbulali Chowdhury of North Mithasari, police-station Ramoo.

1. He charges Re. 1 to Rs. 1-4 per kani on lands growing one rice and yielding 40 to 45 aris, i.e., 10 maunds worth Rs. 16. This means that rent is one-fourteenth of the produce. His raiyats remain idle for about 7 months in the year.

2. Moulvi Kabiruddin Ahamad, zamindar, Harbhag, states the same facts as above.

R. K. M.

13-4-39.

Camp Sitakunda, dated 15th April 1939.

On arrival at Sitakunda I first examined the Manager, Treasurer and Tahsildar, Mohanta estate. The estate comprised mainly noabad lands which had been leased out to raiyats on rentals varying from Rs. 4 to Rs. 8 per kani. There is only one permanently settled estate which consists of 173·28 acres of land for which the Mohanta has to pay Rs. 187-2-7 as revenue to the Government. Out of those 173·28 acres, 149·53 acres had been leased out to tenants on a total rental of Rs. 293-6-3, i.e., the raiyats pay to the Mohanta rents at the rate of about Rs. 2 only per acre. As on lands of this side on the average 16 maunds of aus and amon paddy can be grown valued at Rs. 24, it is clear that the rental payable by the raiyats of the permanently settled estate amounts to only 1/12th of the produce as compared to the rental charged from raiyats of noabad lands (i.e., temporarily settled estate) who have to pay at a much higher rate, viz., Rs. 10 to Rs. 20 per acre.

I met many cultivators of this side and I am noting below what I ascertained from a few typical raiyats by examination and cross-examination :—

1. One Syed Obaidar Rahaman stated that he along with 15 other agriculturists had started a farm on a co-operative basis for the cultivation of sugarcane and marketing and selling of *gur* produced from that sugarcane.

The farm comprises 7·10 acres of noabad land for which the Society has to pay rent at the rate of Rs. 15 per acre. The Society grows sugarcane on 4·80 acres of land and gets 240 jars of gur valued at Rs. 480 from those 4·80 acres. On the remaining portion two varieties of paddy and several rabi crops are grown.

The yield of both aus and amon paddy per acre amounts to only 16 maunds according to this witness and yet paddy is grown on a portion of the farm-lands which were taken for growing sugarcane. Apparently the crop yield per acre must have been underestimated by this raiyat who is the Secretary of the Society. He works as a teacher in the local High Madrasah and is fairly educated. Rabi crops grown comprise mainly—(1) cabbages and cauli-flowers, (2) potato and (3) chillies. He admitted freely that he did not work on the land himself and added that there is a system of leasing of lands at competition rents to annual tenants-at-will who sometimes have to pay rents at the rate of even up to Rs. 40 per acre. The other cultivators examined by me did not support this statement. Hence it could not be ascertained conclusively wherefrom Syed Obaidar Rahaman got his impression about changing as much as Rs. 40 per acre by land-owners of this side.

2. Nur Ahamed Choudhury said that he owns 36 acres of land which he cultivated himself with the help of his grown up family members and hired labourers. He gets only 15 to 20 aris (=5 to 6 maunds) of aus and 8 to 10 aris of pous paddy (=3 or a little over 3 maunds) valued at only Rs. 15 per kani (=2/5th of an acre) though he has to pay rents at the rate of Rs. 2-8 per kani to owners of permanently settled estates or as much as Rs. 6 per kani to the khas mahal authorities. His supplementary occupation is pisciculture. He is not indebted to anybody and is known to be one of the richest cultivators of the thana.

3. One Dinabandhu Das told me that he owns a farm of 5 acres within a permanently settled estate. He has to pay Rs. 36 as annual rent and gets in all only 80 maunds of aus and amon paddy valued at Rs. 100. His family consists of only 5 members and he has no debts because he has addditional income. He works as the local tahsildar of two noabad talukdars on a commission basis.

The local Thana Officer who came to meet me and who was in charge of the thana for over a year stated that the miseries of the peasantry of the Sitakunda side are mainly due to 5 reasons, viz.: (1) illiteracy, (2) useless litigation, (3) profiteering from litigation as touts, (4) polygamy; marrying at harvest time and divorcing when out of work with the result that most of the cultivators have on an average more than 2 wives and (5) idleness for at least 6 months in the year.

Babu R. Chatterjee, Sadar Khas Tahsildar was present all along throughout the enquiry.

R. K. M.

R. CHATTERJEE,
Khas Tahsildar,
Sadar, Chittagong.
16-4-39.

Evidence of Babu Kumud Behari Choudhury, Estate Ramkamal Ramballav Shaha, Chittagong.

Opinion as to rent being paid in kind.

1. Tenants generally do not like to pay in kind. In litigation it has been found in innumerable cases whenever landlord sues a tenant for price of paddy at market rate tenant has opposed the claim by all means at his disposal and insisted on payment of rent not at market value of the paddy but at money value supposed to be mentioned in

the kabuliyat for the purpose of registration. It is a common experience that tenants withhold delivery of paddy and later on insist on acceptance of the money value of the paddy. This occurs specially when on account of excessive rain or want of rain or some other natural calamity the tenants do not get full yield. The tenants are actuated by the desire to keep in store sufficient paddy for maintenance and if possible to sell surplus paddy not required for maintenance at better price.

2. Landlords obviously do not like to collect paddy. The reason is (1) it means extra expenditure in collection and storage, (2) zamindars have got lands scattered all over the districts and cannot maintain a kutchery in every village of their zamindari. In case of money rent one office or kutchery is sufficient for one thana or several villages but in cases of paddy rent, the staff will have to be increased and number of kutcheries multiplied. Storing of paddy in the villages means not only extra expenidture in the shape of erecting or making granary or store houses, but also in the matter of sale, the zamindar will have to depend on the mercy of his tahsilar who may sell at any price he chooses on various pretexts.

3. The tenants of the district hold lands at a very low rate but the zamindar pays a high revenue to the Government. If the money rent which the tenant is paying to the zamindar is now converted into paddy rent, the result will be that the zamindar will be compelled to sell paddy at an uneconomic price and his income will dwindle in proportion although the revenue and the rent payable by him to the Government for permanently and non-permanently settled lands will remain the same. Consequently default in payment of revenue to the Government and rent to the khas mahal will go on increasing. In course of time the zamindar will be unable to meet the claims of the Government and the result will be that they will be deprived of their property on account of the compulsory sale under Sunset Law.

4. In this district measure of an ari is not uniform: in some locality 13 seers make an ari, in some locality 14 seers 10 chittaks. In case of money rent, the want of uniformity cannot exist. Besides during harvesting season paddy will have one weight whereas the weight comes down by nearly 10 per cent. in course of 2 or 3 months after storage: this will obviously work a great hardship on the landlord.

Opinion as to the imposition of the proposed Agricultural Cess.

5. Zamindars are paying numerous cesses. It has been seen during the several revaluations under the Cess Act, cesses have been enhanced almost arbitrarily in many cases. In some cases cesses have been increased more than double. Present Cess Act is operating very harshly on the zamindars. It is submitted that the imposition of cesses

under the Cess Act is an inroad upon the zamindar's rights under the Permanent Settlement. Besides, the Government imposes cesses as occasion requires under various Acts such as Embankment Act, etc. Zamindars have to pay the cesses in the first instance otherwise the Government realise the same by summary process of law irrespective of the question whether the tenants have paid the cesses due by them to the zamindars. The tenants usually hold up the rent for 3 or 4 years and zamindars institute rent suits. They can hardly realise the decretal amounts within 3 years of the decree under the normal procedure. This means normally the zamindars have to wait for 5 to 7 years for the realisation of rent and cess, although they have paid the cess in due time. The situation becomes worse when tenants seek the protection of Agricultural Debtors Act either before or after the rent decree involving as it does delay for any number of years 8, 10, 15, and so on in realisation of cess, rent etc. In this state of affairs the zamindars cannot agree to imposition of a further cess which will have the effect of impoverishing the zamindars without proportionate benefit. The lure of enhancement of rent does not appeal to the zamindars because tenants have already acquired the habit of non-payment and been encouraged to withhold payment on account of the operation of Bengal Agricultural Debtors Act and debt relieving activities of the Government. Zamindars are unable to bear the strain of cesses hitherto imposed and view with grave suspicion that the agricultural cess will do them any benefit. It may be suggested that if the real interest and benefit of tenants be intended by imposition of such cess, then the local Union Boards who are in close touch with the tenantry may be placed in charge of collection of such cess, like chowkidari tax, union rate, etc.

Opinion as to the imposition of Agricultural Income-tax.

We are opposed to the imposition of agricultural income-tax. Income-tax is by its nature arbitrary and unjust and ignores expenses incurred for the maintenance of the family of the assessee. Agricultural income-tax will add to the burden without any compensating advantage.

The poverty of the zamindars will go on increasing and they will have no funds to meet the demands of the income-tax authorities: it will ultimately affect the tenants adversely.

Opinion as to whether Permanent Settlement is obstructing industrial development.

The Government has hitherto not taken effective steps in industrial organisation of the country. Proper education for the purposes has

not so long been given. If Permanent Settlement obstructs industrial development, we would expect great industrial developments by this time in non-permanently settled areas. Chittagong is non-permanently settled for the major portion. Khas Mahal in the name of Government is the biggest landed proprietor in Chittagong but Government ownership of large proportion of land in Chittagong has not made it more industrially developed than places where almost all the lands are permanently settled. The reason is Permanent Settlement is not to blame for industrial backwardness. The people have not been made to think of industrial development at all and the root of the evil lies in the method of education which has so long aimed at creating clerks sufficiently able to help the Government to carry on its day-to-day administration. Chittagong was the first to go under the British administration. Chittagong was taken over by the East India Company in 1760 and during these years of occupation khas mahal, the largest landed proprietor or the Government has not thought it necessary or fit to establish a single industrial school at Chittagong. Chittagong had ship building industry in bye-gone days but it is ruined by introduction of steamships. It can very well have salt industry, but so far nothing has been done by the Government to educate or help the people in the said industry. Tannery and fishery could also be established and developed in spite of the Permanent Settlement: has the khas mahal, i.e., the zamindar of the non-Permanently Settled lands done anything?

Opinion as to price of paddy being too low.

As a matter of fact the price of paddy cannot be said to be low now. The present market rate is Rs. 2-6 per maund of average paddy whereas some 20 years back its price was rarely higher than a rupee per maund and yet the tenancy were much better off in those days inasmuch as they could afford to stock a decent quantity of gold and silver every year but at present in spite of the higher market price of paddy, they have had to part with whatever ancestral stock of gold and silver they possessed, not to speak of purchasing anew any gold or silver.

Subinfeudation.

Actual number of sub-tenures prevalent in the district is as follows:—

1. Highest Sadar Patni.
2. Sadar Patni.
3. Patni Taluk.
4. Taluk.

5. Dar Taluk.
6. Etmam.
7. Dar Etmam.
8. Tapa.
9. Dar Tapa.

Annual cost of living of a family of 5 members.

			Rs.
Rice (37 maunds) at Rs. 3-8	...	...	130
Dal (2 maunds)	...	...	10
Dry fish, etc.	...	...	20
Salt species, etc.	...	...	15
Clothing	...	...	25
	Total	...	200

Chittagong, dated 16th April 1939.

I

Ramesh Chandra Sen. Manager, Court of Wards, South Group, gave the following evidence:—

(1) Rate of rent per acre=Rs. 3-8.

(2) Produce per acre=24 maunds=Rs. 24. Rent=Rs. 5-8.

(3) Tenureholder pays Rs. 5 to superior landlord, gets Rs. 7 from under-tenant who gets Rs. 10 to Rs. 15 from his under-raiyat.

The under-raiyat thus pays Rs. 10 out of Rs. 24 as value of produce.

(4) Remissions are notified by printed post cards and beat of drum by the zamindar. The effect of this notification is sometimes the claim for remissions from neighbouring raiyats who are not granted such remission.

(5) Where the zamindar gets a rent of 5 annas to Rs. 2-8 per acre from tenureholder, the tenureholder realises in some cases Rs. 6 to Rs. 9 per acre from his raiyat who may even get Rs. 9 to Rs. 12 from the under-raiyat.

(6) Permanently settled estate No. 1270 has been assessed by Government at more than 74 per cent.

Permanently settled estate No. 1023 has been assessed by Government at more than 50 per cent.

The above statement is agreed to by Mr. Kiran Chandra Chakravarty, Manager, Court of Wards, North Group.

RAMESH CH. SEN.

KIRAN CH. CHAKRAVARTY.

R. K. MOOKERJI.

Replies to the questionnaire of Dr. Radha Kumud Mookerji, by Babu Jnanatosh Roy Choudhury on behalf of Estate Jogendra Nath Roy Choudhury and others, Dhoom, Chittagong.

Q. 1.—Receipts and expenses on one holding of best soil of 5 acres.

A. 1.—The Receipts and expenses for 5 acres of lands of best soil are estimated as follows calculating two main crops and rabi crop:—

Receipts.

	Rs.
Main two crops—	
40 maunds of paddy per acre of best lands for one main crop 40×5=200 maunds at Rs. 2 per maund	400
30 maunds of paddy per acre of best lands for aush crop 30×5=150 maunds at Rs. 2 per maund	300
For rabi crops—at Rs. 15 per acre 15×5 ...	75
Fodder value at Rs. 10 per acre 10×5 ...	50
Total ...	825

Expenses.	Rs.	a.
Rent at Rs. 3-2 per acre	15	10
Seeds at Rs. 3 per acre	15	0
Bullock (two only) including fodder, etc. ...	72	0
Manuring and other improvements at Rs. 3 per acre	15	0
Cost of labour including ploughing, sowing and harvesting the crops	80	0
Interest on the capital to be invested at 6 per cent. per annum	30	0
Total ...	227	10

It will be seen from the above figures that calculated at a modest figure the agriculturist can easily maintain himself after defraying all his expenses and can easily discharge his liabilities to the landlord and other people.

Q. 2.—Minimum size of a holding (under cultivation).

A. 2.—The minimum size of a holding under cultivation is one decimal of an acre.

Q. 3.—Period of cultivation on a worst type of land.

A. 3.—The maximum period required for cultivation of worst type of land is 5 months.

Q. 4.—Idle period of a cultivator depending on an average land.

A. 4.—The idle period of a cultivator depending on an average land is about 7 months in a year.

Q. 5.—Average size (number of dependants) of a cultivator family.

A. 5.—The family of a cultivator on an average consists of 6 members only.

Q. 6.—Causes of indebtedness of cultivators.

A. 6.—It is curious that the agriculturists in Bengal are involved in heavy debts although in my opinion the lands yield an income sufficient to maintain them. After a very careful study of this intricate subject which is receiving the best attention of the present Government and the public the reason for agricultural indebtedness can be attributed to the following causes:—

(1) Multiplication (as the result of the last census will show).

(2) Polygamy among the agriculturists.

(3) Idleness and indolence for about $\frac{2}{3}$rds of a year.

(4) Social ceremonies and other social obligations.

(5) Purchasing lands at a time when the value of crops was most favourable by borrowing money at an exorbitant interest which they failed to repay on account of a sudden fall in prices of jute and paddy and other crops.

(6) Improvidence, viz., purchasing fancy goods; and unproductive litigation.

(7) Pilgrimage.

(8) Death of cattle due to ignorance of rearing and want of grazing fields.

Q. 7.—Suggested industry for idle period of the cultivators that may be introduced immediately without much capital investment.

A. 7.—It is suggested that the agriculturists should be encouraged to employ themselves in cottage industries, which do not require much capital investment, during the idle period of the year such as charka, hand-loom, basket and chatai making, shati food making, making of fishing implements, poultry, fisheries, making of safety matches and salt (free from excise duty) improved system of cattle and sheep rearing, paper making (indigenous system), toy making.

Q. 8.—Different kinds of "Barga" systems prevailing in the locality.

A. 8.—There are four systems of barga—viz. (*a*) adhi barga, half the crop for the landlords and the other half for the cultivator, (*b*) thika barga or payment of a fixed quantity of crop, (*c*) fixed money payment and (*d*) part money and part crop.

Q. 9.—Irrigation facilities:—If and how possible and with what result.

A. 9.—Irrigation plays a very important part in agriculture and it is suggested that canals should be excavated and where necessary re-excavated through the agency of the Union Boards and District Boards with public help which is sure to produce very good result in the matter of yielding good crops. In hill areas, reservoirs of water coming down from the hills and making pipe connections with distant culturable lands at a considerable low cost are sure to produce good result.

Q. 10.—Question of statutory obligation of realisation of cess from zamindars provided enhancement of rent is allowed.

A. 10.—It is generally believed without any reference to statutory figures that the peasantry of Bengal pay a heavy rent to their respective zamindars and legislative measures are being resorted to for redressing their grievances and by recent legislation the position of the raiyats has been improved so much so that with their only obligation to pay rent to the zamindars they are the masters of the situation with further protection and facilities to withhold timely payment of rent afforded by the Bengal Agricultural Debtors Act. So the landlords may have no objection to realisation of statutory cess from them provided enhancement of rent is allowed and a summary procedure for realisation of rent and cess can be adopted; but the trend of the present day legislative measures is otherwise and public feeling is against enhancement of rent. So we do not agree to statutory obligation realising any new form of cess from the zamindars.

Q. 11.—Question of agricultural income-tax—what do you think about it?

A. 11.—We do not advocate imposition of agricultural income-tax as there are too many taxes such as road cess, chowkidari tax, union rates and education cess. Any such imposition will be ruinous to both the landlords and the actual cultivators of the soil.

Q. 12.—Actual number of sub-tenures prevalent in the district:—

A. 12.—

A.

(1) Sadar Patni.
(2) Taluk.
(3) Dar Taluk.

B.

(1) Taluk.
(2) Etman.
(3) Dar Etman.

C.

(1) Taluk.
(2) Tapa.
(3) Dar Tapa.

From the above table it will be seen that ordinarily these three under tenureholders intervene between the zamindar and the actual cultivators of the soil but under exceptional circumstances sometimes the number of intermediaries vary from 5 to 7 including the dar raiyat.

Q. 13.—Cost of cultivation and living expenses of an agricultural family of five members (having 3 acres of land).

A. 13.—A family consisting of 5 members, with 3 acres of land can under ordinary circumstances live very happily discharging all their monetary obligations, and the cost of cultivation and living expenses of such a family is shown below:—

	Rs.
(1) Cost of cultivation	30*
Cost of harvesting	6
Total ...	36
(2) Living expenses calculated at Rs. 3 per head per month $5 \times 3 = 15 \times 12$	180

N. B.—Having no bullocks.

Q. 14.—Bullock account of one actual family (two bullocks).

A. 14.—One actual family of cultivators generally owns two bulls and the cost of purchasing two bulls is Rs. 75 and the cost of rearing and fodder is Rs. 72 but it may be noted here that generally the cultivators have not to spend much on fodder and rearing as they get sufficient fodder from their own cultivation. On the other hand they earn something by giving them on hire to other cultivators owning no bulls.

Q. 15.—Payment of rent in kind—arguments for and against.

A. 15.—Payment of rent in kind is very difficult to realise specially in our locality where the zamindari lands are scattered all over the district, and further it shall bring in difficulties in assessment of crop valued and loss to the tenants when the price of the crop goes up. Zamindars pay their revenue to Government on a fixed date in cash. If crop fails or grows late zamindars are put to great difficulties to collect rent and pay revenue in time.

Q. 16.—Permanent Settlement is obstructing industry of the country—Your opinion about it.

A. 16.—The Permanent Settlement has not impeded the industry of the country and in my opinion the Permanent Settlement has raised the value of land to a very great extent which rendered sufficient help in raising money from banks and other sources for bigger industries. For big industrial concerns Permanent Settlement is a boon in view of the fact that at a moment's notice big loans can be raised in commercial towns by simply depositing the title deeds (equitable mortgage). In rural areas the cultivators could easily raise loans whenever required against lands because of the Permanent Settlement.

Q. 17.—Actual cause of ruin of rural credit resulting in sale of lands of cultivators at abnormally low price.

A. 17.—The actual causes of the ruin of rural credit are the high rate of interest, compound interest at which the cultivators borrowed money from the village mahajans, secondly the fall of prices of the produce and lastly the Bengal Agricultural Debtors Act is mainly responsible for the ruin of rural credit. The village mahajans have tightened their hands and stopped money lending altogether. We do strongly desire that the Bengal Agricultural Debtors Act should be repealed and co-operative land mortgage banks should be introduced to give money facilities to the cultivators at a lower rate of interest not exceeding 6 per cent. per annum against lands and on short terms loans on hypothecation of crops.

Q. 18.—Percentage of collection for the last five years.

A. 18.—

	Per cent.
1341 B.S.	79
1342 B.S.	120
1343 B.S.	102
1344 B.S.	96
1345 B.S.	48

The above figures will clearly show that the certificate procedure was effective in the matter of realisation of current and arrear dues. When the power to issue certificates was withdrawn the percentage of collections fell down at once to 48 per cent. and the result is disastrous as the zamindar will not be in a position to fulfil his obligations towards the Paramount Power in paying revenue in due time. The Debt Conciliation Boards—creatures of the Bengal Agricultural Debtors Act—are also responsible for the fall of collections and the Boards are always fraught with danger to the zamindars.

Q. 19.—Prices of agricultural produce too low—what remedy you suggest?

A. 19.—It is a pity that the agriculturists cannot get a good price for their products—I suggest the following remedies:—

(1) Fixing up the lowest price of paddy, jute and other crops.

(2) Imposition of import duty on agricultural products imported in this country from outside.

(3) Arrangement of advances to the agriculturist to withhold sale of products for a better price.

Q. 20.—Formerly (about 30 years ago) there was considerable sale of gold and silver in Chittagong area (amongst the cultivators) when the prices of agricultural produce were still lower. At present this has stopped—what reason.

A. 20.—I do not agree that 30 years ago agriculturists in Chittagong used to purchase a considerable quantity of gold but it is true that they used to purchase considerable quantity of silver—but at present the whole market has been flooded by ready-made ornaments of alloyed metals and other chemicals and the price of gold has gone so high that they cannot think of new purchases; rather they sold away whatever ancestral stock of gold and silver they had when they got a very good price for them.

In conclusion I beg to submit that in Chittagong the Khas Mahal who is the biggest landlord has done nothing to our knowledge for the

industrial development of the district. So it can never be argued that Permanent Settlement is detrimental to such development, rather it is the want of impetus and lack of opportunities of industrial training that are primarily responsible for the industrial backwardness of the country. Chittagong popularly known as the Grand Port of the East had various industrial activities, viz.:—Ship-building, dry fish, rope making, salt, etc., but gradually by foreign competition they do no longer exist. It now lies with the Government to educate the people again and help the people willing to undertake these industries. It can therefore be said definitely that Permanent Settlement is not responsible for industrial backwardness of the country.

Noakhali, dated 16th April 1939.

I.

Khalil Ahmad, Khas Mahal Deputy Collector, states:

(1) Rent per acre=Rs. 3-2 to Rs. 6; rent for under-raiyat is double.

(2) Produce per acre=18 maunds on 1 crop=Rs. 36.

(3) Rent=1/13th of produce.

(4) Aus and chilli grow alternatively, as also jute and aman.

(5) Areca nuts per *kani* (=1 1/5th acre) yield an income of Rs. 100—300 together with cocoanuts. Rent per kani= Rs. 5 for raiyat. Rent per kani=Rs. 15 for under-raiyat.

II.

Messrs. Mohammad Fazlullah, Jamini Ranjan Sen, M.A., Chittaranjan Das, Rasamay Majumdar, B.A. (ex-detenus), members of District Krishak Samiti, were examined.

1. Cultivation of commercial crops like areca-nut, cocoanut, betels and jute are subjected to rack-renting which at places amount to Rs. 150 per *kani* (=1⅔ acre), e.g., Char Shahabhikari in Feni subdivision.

2. There are also farms and homesteads for which rent charged is Rs. 50 per *kani* at Ramganj, Raipur and other places.

3. Paddy land also bears a rent of Rs. 10 to Rs. 20 per acre against 10 maunds of produce.

4. New settlements should be with landless people by preference.

5. Noakhali is stronger in jute than in betels and areca nuts, as generally believed.

R. K. M.

C. D.
J. S.
R. M.
M. I.
16-4-39.

Chaumuhani, Noakhali, dated 16th April 1939.

III.

Kamini Kumar Mondal, merchant, made a statement. He stated that on an average 1 areca nut tree produces crop yielding about 2 as. per year. An ordinary peasant grows 200—300 such trees round his homestead. These trees do not require much space or care for their growth. They bear fruit in 4 years. Lemon trees also grow between them.

IV.

A meeting of peasants was cross-examined by me. They complained that the rate of rent ranged between Rs. 20 to Rs. 30 per *kani*. The rate was enhanced at every transfer of the holding. These peasants are all under-raiyats.

V.

Raj Kumar Ghosh, supari merchant, was next examined. An ordinary peasant owning 5 *kanis* will grow areca nuts on 2 *kanis* and paddy on 3 *kanis*. 1 *kani* can grow 1,000 areca trees, yielding Rs. 60 to Rs. 70, 1 *kani* produces 20-25 maunds=Rs. 50.

This obtains at Raipur.

This witness confirms the statement made by the peasants, as recorded above.

VI.

A meeting of landless labourers at Saheberhat in Noakhali town complained that they were not given lands available in newly-formed *Char* areas by Government who preferred settlement with the more well-to-do classes of rent receivers.

R. K. Mookerji.

Evidence recorded at Chandpur on 16th April 1939.

Name of tenant.	Rate of rent per acre.	Remarks.
Matbar Haji	Rate of rent= Rs. 3-8 per acre. Growing 15 maunds of jute=Rs. 75. If it grows paddy it will be at 15 maunds per acre =Rs. 30.	Mouza Char Bhairabi, police-station Chandpur.

Programme of work for 12 months.

1st Kartic to Pous—Growing fodder for bullocks (কলাই কালাই এবং পরান ধান).

Agrahayana—Growing Chilli.

Magh—Ploughing.

Falgoon and *Chaitra*—Growing of Aus paddy and Jute.

Boyisakh-Jyostha—Clearing jungles in the fields.

Ashar-Sraban—Aus paddy cutting.

Bhadra—Jute cutting.

Ashin—No work.

Note by Babu Hara Dayal Nag of Chandpur, on the present condition of Bengal peasantry.

Generally the Bengal peasantry is better fed, better clad, and better housed than the peasantry of the other parts of India. The simple reason is, the lands of Bengal especially Eastern Bengal are more productive than those of the other provinces.. The Bengal peasantry can mainly be divided into two classes. I take the liberty of naming the first as the "haves" and the second as the "have-nots". By the "haves" I mean those peasants who have sufficient lands for maintaining themselves with the industry of agriculture; the "have-nots" have no such lands, in short they are called landless peasants. When Bengal was full of waste lands the most industrious peasant was the most well-to-do. Now the time has so changed that the industry of agriculture is not sufficiently remunerative for the maintenance of a peasant even though he be as industrious as his predecessors. The simple reason is that he has to purchase everything except his agricultural produce. The price he gets by sale of his surplus agricultural produce does not at all cover the price he pays for his other necessaries of life. At the same time a considerable portion of his time is wasted and a valuable part of his labour is lost on account of his having nothing to do except the pursuit of agriculture. All the cottage industries in which he profitably used to spend his savings of labour and thereby earn some additional income, are now devoured by the wolf of the foreign trade. This makes the debit side of his life overbalance the credit side. Necessarily he falls into debt. Once in debt always in debt; a peasant can scarcely recover himself from it. His debt steadily increases and he becomes heavily involved in it.

Ultimately he sells his land and becomes landless. On the other hand with a little thrift and some other additional profession or pursuit a peasant can make both ends meet and make some savings. With these

savings when made he sometimes purchases lands of those who are compelled to sell them. Gradually he becomes richer and richer by making his unfortunate ignorant neighbours poorer and poorer. The most ambitious of the peasants who thus make savings and purchase lands become in course of time peasant-proprietors in the village.

In Bengal the moneylenders are dead. They no longer molest the peasants. They are now entirely at the mercy of the Arbitration Boards established and working throughout the province. The zamindars and other landholders are more dead than alive. They can hardly realize their rents, not to speak of any *"abwab"*. They are also not free from the process of the Arbitration Boards. The peasants have nothing to fear from the moneylenders and landlords. They are now mercilessly exploited by the peasant-proprietors. The landless peasants principally live upon hires of their labours. They are the actual tillers of the lands. The peasant-proprietors often possess more than one hundred "bighas" of lands. They scarcely till those lands with their own hands and cultivate their lands with hired labourers.

The hire they pay to the landless labourers is very small, sometimes not more than two annas per day. The peasant-proprietors also lend food-grains to the landless labourers, i.e., their actual producers for extravagant profits. Sometimes an actual tiller of the land borrows from his master, the peasant-proprietor, during the non-harvest time, food-grains on condition of repaying them in food-grains with 50 per cent. profit. The actual tiller of the land, if perchance he has any small bits of lands, pays with the food-grains of those lands, the loan of his master, the peasant-proprietor, not being able to keep any for his own maintenance. Thus the actual tiller of the land becomes a slave labourer of the peasant-proprietor for ever.

There was a time when rent was paid in kind. Originally 1/5th of the produce was paid, then it came up to ¼.

At that time barter system prevailed and the payment of rent in kind did not cause much inconvenience either to the payer or to the payee. At that the landholders used to maintain "Dharmagolas" full of food grains entirely for the benefit of the peasants.

From these "Dharmagolas" food-grains were distributed among the peasants—either for price or as loans for small profits only to cover the expenses and losses of those "Dharmagolas", not only during the food scarcity and famine but also during the ordinary times whenever the peasants needed such distributions. This was a system of rural co-operation with the landholders as the central figures. These institutions were regarded as religious institutions and religious necessity. In course of time when the barter system was displaced by the money system and the "Dharmagolas" lost their religious sanctity they vanished and the rural co-operation disappeared with them.

At the present time the tenants know as "bargadars" pay half the produce as rent. These "bargadars" are generally landless peasants and the lands they take in barga are generally let out by those peasant-proprietors and holders of khas khamar lands. The "bargadars" after payment of the half produce to their lessors make absolutely no profit by the other half that hardly cover the bare price of their labour.

These "bargadars" sometimes take barga even at a loss simply because they have no other work to do. The average rate of rent paid by the occupancy raiyat to his private landlord is about a rupee per "bigha."

The average gross produce of an agricultural land is about Rs. 10 per "bigha," so the rent is about 1/10th of the gross produce of the land. The peasant agriculturist does not work more than 6 months in the year for cultivating, weeding, reaping and storing the harvest. Although he has almost nothing to do in the other 6 months of the year, he has to live throughout the year for the work of his agriculture. The most important factor of his life is not the rent he pays to his landlord but it is the daily increasing cost of his living. His necessaries of life have appallingly increased and are still increasing. The heaviest expenditure lies in his feeding the wolf of the foreign trade. Apart from the rent he pays, he pays Union Board rates, road cess, public work cess, and in some districts the education tax is added or is about to be added. In addition to these direct taxes he has to pay many indirect taxes, such as, salt tax. Salt cannot be manufactured in the country freely for the sake of Government revenue, although there are ample materials and facilities for its free production.

Imported and indigenous salt is sold at a price of more than three rupees per maund about half of which is Government revenue.

For many other necessaries of life which the peasant-agriculturist has to buy to feed the wolf of the foreign trade, he has to pay indirect taxes in the shape of customs and excise duties.

Thus he has to pay an enormous penalty for his enforced unemployment during the 6 months of the year for feeding the wolf, i.e., for purchasing his other necessaries of life than his food stuffs he requires ready money for which he sometimes sells his food stuffs at a low price to its agents and buy them again at a higher price from them. Thus it is conclusively proved that the high cost of living enforced upon him by the above mentioned circumstances and the like, is more responsible for his economic misery than anything else.

A considerable number of the now defunct moneylenders grew from the agents of the wolf of foreign trade, namely, the cloth merchants. These cloth merchants made piles by selling foreign cloths on credit and took bonds for accumulated arrears of the prices.

The moneylenders had flourished for a few decades and then began to decline. So long as the occupancy right of the peasant-agriculturist was a non-transferable personal right he could not be deprived of his cultural lands by his exploiter whose number is legion, and is still increasing. The godless education without any vocational training is rapidly adding to the number of exploiters of the peasant-agriculturists who are so illiterate and ignorant that they do not know the use of money. The money comes to their pockets only to be picked by the pick-pockets—their exploiters. They generally fall prey to the lusty money makers, such as, peasant-proprietors, store-keepers of food grains, merchants of foreign and indigenous goods, loafers, unscrupulous well-to-do people of the village and the last but not least is the priest. It is not possible to exhaust the list of the exploiters of the peasant-agriculturists. In short the only source of making money in the village is the exploitation of the peasant-agriculturists. Now after passing through various stages the transferability of the occupancy right has become most complete. The complete transferability of the occupancy right has been achieved by the so-called friends of the peasant-agriculturists more for the benefit of the former than the latter. Now the sale of the agricultural lands of the peasant-agriculturists has become so easy that whenever he is in need of money he sells bits of them and ultimately becomes landless.

The rents paid by the khas mahal tenants are certainly higher than the rents paid by the tenants of the private landlords. But that does not make much difference between the economic condition of a khas mahal tenant and that of a tenant of the private landlords for the reason stated above because the costs of living and other conditions of life of both of them are the same. I do not know whether the state is legally empowered to abolish the Permanent Settlement but I do know that the abolition will not at all benefit the peasant-agriculturists.

It will undoubtedly increase the revenue. The abolition will enable the estate to bring the abolished estates under khas management and increase the rents of the tenants of those estates to the level of the khas mahal lands with the addition of the unhappy process of certificate. Thus the Government revenue will be enormously increased but the peasant-agriculturists under the private landlords will have to pay increased rents and under certificate procedure. There is nothing like collective security among the peasant-agriculturists. There is no such thing as league of peasant-agriculturists in the village. The co-operative village life based on the barter system has entirely been destroyed.

In short there is nothing common among them that binds them together into a homogenous whole for their own protection.

Efficient rule in a spirit of social service does not require any policy of divide and rule but an effective rule with the object of exploitation does.

Exploitation implies a sort of domination or rule. The exploiters often adopt the policy of divide and rule to make their exploitation effective. Healthy competition in a friendly spirit is conducive to co-operative village life but unhealthy rivalry at the instance and for the benefit of the exploiters is destructive of it. The peasant-agriculturists, illiterate and ignorant as they are, are often misled by their exploiters and are engaged in unhealthy rivalry. Their all round exploitation of various brands and varieties simply kills the bliss of their home and co-operative life. Every peasant-agriculturist draws the inspiration from his exploiters of growing into a peasant-proprietor and exploit his next-door neighbour. The peasant-agriculturists belong to the "lower classes" and their exploiters not excepting the peasant-proprietors belong to the "upper classes".

The net result of this process of exploitation of the lower classes by the upper classes is that the actual tillers of the land have the right to till the land but not the right to live upon the fruits of their labour. They often starve in the midst of plenty of foodstuffs produced by themselves.

They are born in poverty, they live in poverty, they die in poverty. With miseries they begin their life, with miseries they pursue and end it.

HARA DAYAL NAG.

On board "Afghan", dated 18th April 1939.

Evidence of Syamendra Lal Roy, Esq., Zamindar and Banker, son of Rai Bahadur Harendra Lal Roy of Bhagyakul, Munshigang subdivision.

1. There are generally 2 crops, either paddy or jute and *rabi* crops, e.g., pulses (খেসারি), mustard, (ধনে, কাল ঝিরে) onions, garlic, etc.

2. One acre of such double-cropped land yields (*i*) 20 maunds of paddy = Rs. 40, (*ii*) 12 maunds of jute=Rs. 60, (*iii*) Rs. 15, totalling about Rs. 60 against which the rent is about Rs. 2-8 (Rs. 2 to Rs. 3).

Thus rent equals about 1/20th of produce.

3. The raiyat charges to the under-raiyat or bargadar much higher rent under the following systems: (*a*) Half share of produce.

(*b*) *Takti* or cash payment amounting to Rs. 20 per acre which represents his net profit from land unaffected by fluctuations of produce.

4. The cultivator is out of work for about half the year.

5. The cultivator has ordinarily at least 2 wives.

G. L. R.

Local enquiry in Naogaon subdivision (Rajshahi district) by Dr. Radha Kumud Mookerji.

At Mahadebpur village, 16 miles from Naogaon.

1. Jogendra Nath Khan of village Enaitpur, 3 miles from Mahadebpur, and the Manager of Shamanath Estate, made the following statement:—

(1) The main crop here is aman. Subsidiary crops are—(1) sugarcane, (2) jute, (3) aus, (4) mustard, (5) pulses, (6) potato, (7) brinjals, (8) tomato, (9) cabbages and (10) groundnuts.

(2) Paddy-husking is very common and there is no rice-mill in the locality.

(3) Oil-pressing is a prosperous industry.

(4) Cane-crushing is an established industry here on the basis of co-operation among villagers outside the Government Co-operative Department.

(5) Rent is 2 as.—Re. 1 per bigha irrespective of number of crops. One bigha produces 6 maunds of paddy=Rs. 9 *plus* 20 maunds of cane =Rs. 50. Cane grows in Kartick-Chaitra; paddy occupies Asadh-Bhadra. A cultivator owning 15 bighas can profitably grow aus and jute on same land=4 bighas. These two crops are followed by aman on the whole land. He gets a total produce of (1) 12 maunds of aus on 2 bighas, (2) 12 maunds of jute on 2 bighas and (3) 90 maunds of aman on 15 bighas. His total income will be Rs. 125 from paddy and Rs. 36 from jute=Rs. 161 on which he pays a rent of Rs. 15. This makes rent about 1/11th of produce.

(6) Barga is on half-produce for paddy and one-fourth for sugarcane.

(7) Rates of rent are those fixed at the last settlement.

(8) Where a new settlement is called for in respect of a holding transferred or surrendered, rent is enhanced at 1 anna extra per rupee.

(9) Proportion of revenue to gross collection=43 per cent. including cesses, and 30 per cent. without cesses.

(10) Amount of losses on account of cesses=about Rs. 4,000 per year.

(11) There is no regular machinery for granting remissions of rent due to failure of crops; though such remissions are granted.

(12) Percentage of collections is above 80 per cent., while tenants do not generally take advantage of limitation.

R. K. M.

JOGENDRANATH KHAN, M.A. (Advocate),

Jotedar, President, Enaitpur Union Board, and Ex-Honorary Manager, Mahadebpur Roy Bahadur's Estate.

J. C. CHATTERJEE,

S.D.O., Naogaon.

SUPRASANNA RAY, M.A., B.L.,

Manager, Shamnath Estate, Mahadebpur.

The 22nd April 1939.

Village Baghdona, 8 miles from Naogaon.

1. Harendra Mandal under zamindars—

(1) owns 40 bighas,

(2) grows aus, aman, jute, sugarcane;

(3) gets 20 maunds of aus at 5 maunds per bigha on 4 bighas; 180 maunds of aman at 9 maunds per bigha; 5 maunds of jute on 1 bigha; 2 maunds of sugarcane;

(4) gets a price of Rs. 1-4 per maund for aus; Rs. 1-7 for aman; Rs. 4 per maund of jute; Rs. 4 per maund of sugarcane;

(5) has a family of 8 members; consumes 6½ seers of rice per day; spends Rs. 1-4 per hat;

(6) owns 2 bullocks; and

(7) has a debt of Rs. 400 incurred for building a house destroyed by flood and also for living expenses; on mortgage of 16 bighas.

2. Chiru Mandal—

(1) owns 25 bighas on rent of Rs. 22 per year—1/12th of produce;

(2) has a family of 7 members;

(3) grows aus, pous and cane;

(4) consumes 8 seers of rice and spends Re. 1 per hat; and

(5) has a debt of Rs. 400 due to bullocks and failure of crops.

3. Faiyiz Sardar is dispossessed of land for a debt of Rs. 900; now works as a bargadar on 10 bighas and gets 30 maunds of aman as half-produce; has a family of 4 members; works for 5 months (August—December) as bargadar and as a day-labourer for the rest of the year on 4as. a day.

4. Nausar Ali Mondal belongs to a family of 18 members; his father married 4 wives; owns 80 bighas under debt of Rs. 8,000; debt due to flood; cultivates by barga.

5. Mansur Ali Sardar owns 40 bighas of land; grows aus, aman, jute, potato, pulses; mustard, chillies, brinjals; employs 2 labourers; owns 2 cows, 6 bullocks, 2 ploughs; has a family of 10 members; and has no debt. A self-supporting family. Has lent Rs. 200, spends Rs. 2 per hat, pays rent of (*a*) Rs. 33 on 11 bighas, (*b*) Rs. 32 on 12 bighas and (*c*) Rs. 25 on 17 bighas.

R. K. M.

J. C. CHATTERJEE,

S. D. O., Naogaon.

The 22nd April 1939.

Dubalhati, 6 miles from Naogaon.

Evidence of Jogesh Chandra Rai, B.A., Manager, Dubalhati Raj.

1. The Dubalhati Raj family traces its history for 54 generations, i.e., to times much earlier than the Permanent Settlement. There is a tradition about its annual revenue payable to the Moghul Emperor being fixed in the form of *koi* fish, of which 22,000 had to be supplied in lieu of cash.

This is one of the estates which has thus kept up its historic continuity from the Permanent Settlement and even from earlier times.

2. The estate has about 400 tanks within its area and 4 large *bils* or lakes from which cultivators can get free the water for irrigation.

The estate does not charge any rent for lands excavated for construction of tanks and wells by cultivators.

Within the last ten years the estate has spent Rs. 6,000 on the construction of tanks; about a dozen pucca masonry wells at a cost of about Rs. 2,000; and spent about Rs. 600 on the sinking of 5 tube-wells in response to the demands of tenants but the estate has not enhanced rent for these.

It also gives grants-in-aid of irrigation facilities constructed by cultivators.

The estate has established 1 Dispensary, 1 High School, and contributes Rs. 5,000 annually to the Rajshahi College.

Since 1872 the estate has spent a total sum of over Rs. 12 lakhs of rupees on various public utilities both in and outside the estate.

3. The proportion of revenue (with cess) to total collection is about 20 per cent.

The rates of rent vary from 10 annas to Rs. 3 per bigha (for *ganja* and sugarcane areas).

4. Between the zamindar and the occupancy raiyat there are no intermediaries in about 95 per cent. of the tenancies. The occupancy raiyat charges to the under-raiyats in the "*bora*" areas a rent of Rs. 10 per bigha which amounts to about a third of the produce. The bargadar here pays half the produce as rent.

5. The amount of interest due on arrears of rent and written off during the last eight years appears on a rough estimate to be Rs. 2,28,925.

6. The average percentage of collections for the last 8 years is stated to about 65 per cent.

R. K. M.

M. SEN,

Superintendent of Excise, Rajshahi.

JOGESH CHANDRA ROY,

Manager, Dubalhati Raj Estate, Rajshahi.

The 23rd April 1939.

Evidence of tenants.

1. Troilakya Bairagi (Mahisya) under Dubalhati Estate—

He owns 22½ bighas and pays rent at the rate of about 10 annas per bigha. Produce is 5 maunds per bigha=Rs. 6-4. He has a family of 3 persons and 2 children.

2. Golap Mondal (Mahisya) under Dubalhati—

Owns 8 bighas of which rent is Rs. 8. His is a family of two members. He has a debt of Rs. 8.

3. Dwarikanath Hazra—

Owns 10 bighas. Pays Rs. 2-8 annually as rent in all=4 annas per bigha. Produce=60 maunds of aman paddy=Rs. 75. He has a family of four. He works as a bargadar on half-produce. He has incurred a debt of Rs. 15 for purchase of seeds from Government.

4. Sriram Pramanik—

Owns 9 bighas for which he pays rent of Rs. 5-10 as rent=9 annas per bigha.

He earns a supplementary income by bargadari.

R. K. M.

M. SEN,

Superintendent of Excise, Rajshahi.

The 23rd April 1939.

The Congress Committee of Mahadebpur brought to my notice the fact that the Dubalhati estate sometimes charges very high rents ranging from Rs. 5 to Rs. 8 per bigha; and has also submitted a statement to that effect. I made an enquiry on the subject and the Manager of the Dubalhati Estate explained to me a case (Mouza Akhra, No. 191, Khatian No. 137, P. S. Mahadebpur) where the tenant concerned pays a rent of Rs. 8-8-6 for 1 bigha 11 cottahs 7 ch. of land which was however registered as homestead land. The complaint on the subject is therefore not proved by the record-of-rights shown. It is due to the confusion made between homestead land and cultivated land. This distinction has escaped the notice of the Congress Committee concerned.

R. K. M.

M. SEN,

Superintendent of Excise, Rajshahi.

The 23rd April 1939.

Badalgachi, 12 miles from Naogaon, 14 miles from Mahadebpur, dated the 24th April 1939.

1. Jharu Mondal, having a family of five, works as a bargadar on eight bighas of land on half-produce—

Gets 3 maunds of paddy for 8 bighas and 2 maunds of jute and a little mustard. He works as a day-labourer for 9 months and 3 months as a bargadar. He has a small debt of Rs. 15.

2. Md. Jahanatulla of Chakrai—

Has 300 bighas of land and pays a rent of Rs. 300 a year: main produce is aman, gets 3 maunds of paddy per bigha by barga.

3. Md. Badaruddin of Badalgachi—

Has 24 bighas of land. Aman, aus and jute are grown on his lands; pays a rent of Rs. 24 a year to his landlord. Has let out his lands in

barga and works as a tahsildar under zamindar Ram Chariat Bhakat. He gets a total quantity of paddy of 100 maunds out of his barga lands.

4. Faizuddin Mondal of Jeol—

Has 6 bighas of land and pays a rent of Rs. 7 per year. He grows aus, potato and jute on his lands and gets 24 maunds of aus paddy and 5 maunds of jute. Has 5 members in his family. Jute alternates with potato of which he gets about 25 maunds. Has no debts.

5. Safedulla Sardar of Badalgachi—

Has about 22 to 23 bighas of land, grows jute on 3 bighas of land and aus on 2½ bighas of land and paddy on 5 bighas of lands, gets 8 maunds of paddy and 12 maunds of aus paddy and 50 maunds of aman paddy and he also gets potato, chillies and bamboos. He has no debts.

R. K. M.

J. C. CHATTERJEE,

Subdivisional Officer, Naogaon.

The 24th April 1939.

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Government of Bengal

Report of the Land Revenue Commission Bengal

Vol. VI

Replies to the Commission's questionnaire by the Associations concerned with tenants, Bar Associations, etc., and their oral evidence

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Associations concerned with Tenants.

Memorandum by the Bengal Provincial Kisan Sabha.

I.—General.

In an agricultural country such as India, the land, its cultivation and its control, shape in great measure the social and political organization of the country. The very rapid decline in the number of peasant proprietors, therefore, which is accompanied by an increase in the number and power of the landlords and by the growth of the landless class, reacts slowly but surely upon the whole social fabric. And what is true of India as a whole is in particular true of the Province of Bengal where the peculiar and complicated land tenure system functions in such a way as to accentuate and accelerate these disturbing tendencies; decade by decade land passes out of the hands of the cultivator and "occupancy rights" to-day are possessed by comparatively few tillers of the soil. At the same time the landlord becomes more and more just a rent receiver who, on the one hand, contributes nothing towards the productivity of the land, and on the other hand, is forced to part with but little of his income for the upkeep of the State. Land is being transferred to the money-lending class at a phenomenal rate and the class of intermediary landlords, who derive their profit from the complexities of the land system, multiplies and helps to absorb the shrinking profits of agriculture. The situation to-day is grave; social and economic collapse faces the province. What has happened and is happening in Bengal is not some sudden and unexpected catastrophe following in the train of the world economic depression. On the contrary, the very statesmen who framed the Permanent Settlement and experienced the first years of its working, left on record their recognition of the evils for which they were responsible. In the passages quoted below and in a host of publications covering the last 150 years we find able statesmen, economists and administrators warning the Government that the existing land tenure system, based upon the Permanent Settlement, was driving the agricultural population towards ruin. What, indeed, is surprising is that successive generations have feared to tackle the problem and have handed it on to their successors in an aggravated form.

It cannot be denied, however, that to-day there is no question of handing on the solution of the problem to the next generation. The breaking point has been reached. The catastrophic fall in prices of raw materials at the beginning of this decade increased enormously the rate at which different forces were working towards the economic collapse of agriculture. This has led to a tremendous awakening of the masses; where grievances were formerly barely formulated they

were incorporated in political programmes, and where they already existed they were stimulated and given vocal expression to. The present Prime Minister of Bengal owed his election successes largely to his promise to abolish landlordism. It may be that such promises, easily made, are easily broken, but a popular consciousness of the inequality of the land system, once aroused, is not likely to subside quickly. Finally, though the masses of Bengal still remain illiterate, society is undergoing a rapid, though silent, change. On the surface old prejudices and customs appear to be just as firmly entrenched, but beneath a superficial conservatism one finds old barriers being broken down and the rapid infiltration of modern ideas, a knowledge of the outside world, a demand for education and for the satisfaction of new needs. The peasant, even if he is illiterate, is not a fool; he is very much more "abreast of the times" than most legislators think.

Whether, therefore, one approaches the problem from an economic, a political or a humanitarian point of view, it becomes clear that something has to be done now in order to avert disaster. The Government of Bengal consists predominantly of landlords, a class whose primary purpose (if we may judge from the pronouncements of the Landholders Association) is to maintain the *status quo*. That such a Government should feel obliged to consider either the revision or the abolition of the Permanent Settlement only goes to prove the reality of economic collapse and danger of political upheaval.

But there is a way out, though the solution is less easy now than it was fifty or a hundred years ago when it was first seen that the signals were set at danger. Any solution will meet with opposition from some section of the community just because unfair practices upon which certain people thrive will have to be cut away. It is no good pretending that any but more or less drastic remedies will meet the case. It must be remembered that any satisfactory solution of the problem will lead to two things (1) relief of the cultivator of the burden of a century and a half of rack-renting and (2) the increase of the revenue of the State so as to enable it to put into effect large scale schemes for the rehabilitation of agriculture. But we realize that whilst most people will agree with us as to the nature of the present crisis and its causes, and will agree, too, that "something must be done," nevertheless there will be many who defend the *status quo* on the grounds that our proposals amount to expropriation and the summary annulment of the prescriptive rights of the zamindars.

In dealing with the question of rights, we will have to go into history which will furnish us with a proper understanding of the fact of proprietorship over the soil. We will show that the zamindars were not the original proprietors of land. When the East India Company took charge of Dewani, it became necessary, on its part, to set

aside the immemorial custom of peasant proprietorship and in the interest of merchant capital, it substituted this custom by the theory of State-ownership. The revenue history before the Regulating Act and during Hasting's rule will leave no doubt in our minds that the State did not hesitate to take upon itself the charge of the land and raise rent in whatever way it liked. It is after the merchant capital had assumed this proprietorship that the same was conferred on the zamindars who were hitherto regarded as mere collectors of rent. Let there be no confusion over the fact that the zamindars as proprietors of the soil were the creation of the merchant capital. The arrangement of 1793 gave over to the zamindars all rights whatsoever, relating to land, but in the same breath it imported certain conditions on them that they would take care to pay heed to the right and well-being of the cultivator. Such a formulation is paradoxical and the conditions which we shall have occasion to refer to as we proceed may betray pious intentions of Cornwallis, but reality reveals to us that within the rigid frame of the Permanent Settlement and before the unrestricted right of the zamindars, these lose all significance and meaning

The Permanent Settlement has conferred unrestricted right on the zamindars and this in its turn has rendered this system just a fabric of monopoly and tyranny under its grinding pressure. The Bengal peasant is now faced with poverty, disease and wretchedness of a fantastic dimension. Whether one experiences them through the medium of statistics or from a knowledge of hopeless conditions of village life, the distress is incalculable. Paradoxically enough, the speeding up of modern life by means of the post, railway, newspaper, etc., has not brought the outside nearer to the knowledge of the masses of India.

Most of the evils that have shown themselves in the social life of Bengal which call aloud for immediate redress may be attributed to the effects of the Permanent Settlement, some clearly and directly and others indirectly. Our experience tells us that the Permanent Settlement provides an iron framework within which little in the way of practical reform can be effected. A legislative reform may be placed in the statute book, but it can be rendered nugatory by the power that rests with the landholding class. If it is intended to take the landholder, he can easily pass the burden on to those beneath him. One of the striking facts of the history of land legislation of the last century is that the good intentions of such Acts as those of 1859 and 1885 have come to naught and the abuses they sought to put down continued in an aggravated form.

In a very real sense, therefore, it is the Permanent Settlement which is responsible for the present deplorable condition of our cultivators. In the minds of the oppressed cultivator it is this system

which perpetually strives through its various agents, the landlord, the money-lender and the police to drive him off the land. Under these conditions, the demand for the abolition of Permanent Settlement is not the outcome of the confused thinking, but has arisen out of a deep-rooted understanding of the impossibility of tinkering with the present system of land tenure.

It is an acknowledged fact that the Government of Bengal has lagged behind the Governments of other provinces in initiating and carrying out reforms or the institution of social services. Health, agriculture, education, irrigation, etc., have received even less attention in Bengal than in other provinces. As an example we may cite the budget figures for 1938-39—

	Madras.	Bombay.	Assam.	U. P.	Bengal.
Budget estimate ..	100	100	100	100	100
Education	15·7	15·7	13·5	13·5	8·3
Per centage of above on primary education ..	61·0	54·6	28·4	39·6	21·1
Health	8·2	6·1	8·7	3·8	5·7
Police	9·7	11·1	11·5	10·6	12·1

Before the grant of provincial autonomy, at any rate, civilians in the service of the Bengal Government used to be tested with mild contempt by their colleagues from other provinces for their inability to pave and solve their problems. The tenancy legislation of Bengal is far more backward than that of other provinces. But this failure was not due to any inherent inefficiency in the officials, but to their complete frustration in face of the Permanent Settlement and the political forces whom they feared to antagonise by upsetting that Settlement. The result has been that a deadening spirit of inertia has descended upon Bengal and an unwillingness to tackle the problem in its entirety. Yet the resources of Bengal are as great as, if not greater than, those of any other provinces, its people less backward, its soil more fertile and less dependent upon artificial irrigation, and its capital the commercial centre of India.

Nor are the difficulties unique; they are problems that have had to be faced and solved by most European countries, more or less adequately in each case. Professor Mukerjee, in the work referred to above, examines the legislation of a number of countries designed to protect the cultivating peasant and to reserve for him a tolerable status within the agricultural economy of the country. The problems of Italy, Spain, Germany or Denmark need not be, it is true, the problems of India, but nevertheless it is beyond argument that these countries have had to deal with the same problems, viz., the threatened collapse of

agriculture through the driving of the peasant off the land, the multiplication of landlords, the subdivision and mortgage of holdings, etc., and they have dealt with them in much the same way, viz., by legislation to restrict rents, by curtailing transference and division of holdings, by buying out landlords and vesting the cultivator with proprietary rights. The analogy between the condition that obtains in Bengal to-day and those of pre-revolutionary Russia are, however, striking: the following description of the Russian peasant might well have been written of the cultivator in Bengal:—

> "His holding was, on the average, minute in area; and in the repeated redistributions becoming smaller year after year. It was usually made up of numerous small strips, often miles apart which had to be cultivated according to the common practice of his neighbours. He had hardly ever any adequate equipment (one-third of all the holdings had no iron plough, but only a wooden stick; at least one-fourth had no ox or horse with which to plough). Manuring of any kind was at a minimum, and artificial fertilizers were scarcely known. There was next to no rotation of crops. The minimum of labour was spent on weeding. Reaping was by the sickle, and thrashing by the flail; marketing practically limited to the passing visits of the grain dealer."

At the same time the Russian peasant was being driven rapidly off the land by rack renting and by the money-lender into whose clutches he was driven; holdings were being subdivided and mortgaged, and the status of the vast majority reduced to that of serfdom; meanwhile the big landlords, the kulaks and the usurer who invested in land were consolidating their hold on increasingly large estates. Professor Mukerjee, whilst deprecating the violent expropriation of the landlords and clinging to the prejudice that the inherent individualism of the Indian peasant is incompatible with collective farming or *artels* concludes that in India, as has been done in Russia, property and tenure must be defined in terms of social function and the leasing and alienating of land must be drastically restricted.

II.—The History of the Permanent Settlement.

(1) Land Revenue, the basis of Indian Finance.

Throughout the different epochs of Indian history exaction of the land revenue has been practically the sole source of revenue to the State. This was so under the early Hindu system; Manu, the legendary law-giver of ancient Hindu civilisation, was concerned with

the equitable adjustment of land revenue as one of the main tasks of State power. Hindu revenue systems were, in the main, incorporated in the polity established by the Mohamedan conquerors from the 13th century onward. In spite of certain modifications introduced by them, it is nonetheless true that Moghul India was a state resting primarily on the development and appreciation of land values. Vijnaneswar of Mitakshara and Madhaycharyya, the Prime Minister of the great Hindu State, Vijayanagar, who lived in the 9th and 13th centuries, respectively, never supported State ownership. It is argued that the immense confusion and complication of the land tenure system naturally made it difficult for a body of foreign traders, as the English originally were, to see their way through the question, who was really the owner of the land. But is it not a fact that the land system during the Hindu and Mohamedan rule was far more simple than what it is to-day? So the reason of confusion and complication in the land tenure cannot be cited as an extenuating circumstance in favour of the East India Company for their wrongly arrogating to themselves the landlordship of the whole country. Now that they have assumed the proprietorship of the land, they can, in these conditions, either alienate it to some private persons, or retain it in their own hands. They did one thing or the other in different provinces. The whole position has been laconically but most graphically described by Karl Marx in his "Capital." "If any nation's history, then it is the history of the English management of India which is a string of unsuccessful and really absurd (and in practice infamous) experiments in economics. In Bengal they created a caricature of English landed property on a large scale; in Southern India, a caricature of small allotment property; in the North West they transformed to the utmost of their ability the Indian commune with common ownership of the soil into a caricature of itself." Although we are only concerned with Bengal, where the former course was followed, it is well to note that outside Bengal also the course following from the State's assumption of landlordship has been open to serious criticism. It was pointed out at various times, notably by Sir Louis Mallet in 1875 with the assent of the then Secretary of State, Lord Salisbury, that a confusion had thus been created between *revenue* and *rent*; and that following the prevailing economic doctrines of the 19th century there had been too much tendency to consider that as great a share as possible of economic rent should be appropriated by the State; that the result had been to place upon the cultivators burdens they were not capable of bearing.

So much for the mischievous consequences of the assumption of State landlordship. But the work of scholars has since left no room for doubt that the assumption was a legal blunder. Sir Broughton Rouse argued in 1791, just before the matter was settled so far as concerned Bengal, that the State was *not* the proprietor of the soil, and

that in taking over the claims of the native rulers the Company had acquired not proprietary, but solely political right. Rouse's argument has since been confirmed—"The soil of India," writes one modern scholar, "belonged to the tribe or its subdivision.....and never was considered as the property of the king as has been assumed by many writers." (Mukerjee p. 16.) "Either in a feudal or imperial scheme, there never was any notion of the ownership of the soil vesting in anybody except the peasantry." (Mukerjee. p. 36).

We see therefore that the Settlement of 1793, to be described below, violently contradicted the spirit of Indian tenurial custom; and, since this custom has been prescribed by Parliament as the guiding rule, may even be said to have been *ultra vires*.

(2) The Moghul Revenue System.

The Moghul Revenue system, considered in its days of relative purity, is well worth noticing; it set before itself an object that the British Company also had in its view in the outset, but abandoned in despair after a few years of half-hearted experiment. This object is indicated in a sentence of Baden-Powell; "The Moghul system, it should be always borne in mind.....was essentially raiyatwari; it went straight to the cultivator through the headman of each village." (Baden-Powell, p. 507). The Moghuls, that is to say, aimed to rest their State fabric directly upon the producing peasants, without allowing intermediaries to stand between them to their mutual disadvantage. This scheme of things may be described as in a sense democratic, and corresponds with the absence of any hereditary territorial nobility.

Practice was, of course, not altogether in line with theory. Even while Moghul power continued virile, the Revenue administration was not all of one piece. It fell into three categories, first, numerous Hindu Chiefs or Rajas could not be dislodged from semi-independence and were simply subjected to pay tribute, thus becoming in a sense fiscal agents of the emperor. Secondly, difficulties connected with the immaturity of money economy made it necessary that large numbers of high Government servants should receive their pay in grants of land instead of in cash. Their rights over the land were strictly limited and terminable at any moment; their collection of the land revenue was subject to official supervision. Thirdly, we have the method regarded as the ideal one whereby a staff of officers functioning directly under the Government assessed the liability of the cultivator and raised the taxes.

These three methods of collecting revenue were all made use of in Bengal after the addition of that province to the Mogul Empire. A

standard land revenue assessment was made for Bengal about 1582 by the great Hindu Finance Minister, Todar Mal. Various local magnates retained their territorial position subject to contribution to the imperial treasury. But apart from the areas under their control, revenue was raised either by officials of the provincial Government or by tax farmers.....the class later to be favoured as the Bengal zamindars. It is worthy of note that when the provincial Government in the 17th and 18th centuries was trying to expand its revenues, its best method was that adopted by Murshid Quli Khan in setting aside the tax farmers and collecting payments direct. This, however, in a remote province of a decaying empire, could not be the normal procedure. The zamindars were able to make themselves indispensable.

The Bengal zamindar, in the apt words of Harington, an early official of the Company, was "a landlord of peculiar description not definable by any single term in our language." He was, in principle it cannot be overemphasized, as far removed as possible from being a land proprietor; he was simply and solely a Government agent with delegated powers; he collected from a certain area the moneys due from the peasant. In return, he received (*a*) a percentage (dastur zamindari) of what he raised, usually 10 per cent.; (*b*) an allowance (nankar), at first in cash and later consisting in the revenue from a certain portion of his area; (*c*) a sum to meet expenses of collection; and (*d*) a few extra fees. All that remained of the moneys that came into his hands he had to hand over to Government; and his discharge of this obligation, as well as his treatment of the peasantry, was scrutinised by a staff of officials (kanungoes and patwaris).

The point requiring to be insisted upon is that the zamindar was an agent and not a landlord. As an 18th century writer said, "There can be no question that the appointment of a zamindar is an office. To deny this appears to me like denying that a man has a nose upon his face." (Patton. "Asiatic Monarchies." p. 83). A British official wrote similarly: "A zamindar as such, was originally the mere steward, representative or officer of the Government. . . . As zamindar he possessed no right whatever *in the soil itself*." (A. D. Campbell, 1832). The most obvious fact proving this contention is that the zamindar was at any time liable to dismissal. Hastings himself was among those British investigators who laid stress on this aspect of the zamindar's position. Remarking in 1786 that "The public in England have of late years adopted very high ideas of the rights of the zamindars in Hinduism," he went on to say; "The Mohamedan rulers continually exercised, with a severity unknown to the British administration in Bengal, the power of dispossessing the zamindars on any failure in the payment of their rents, not only *pro tempore*, but in perpetuity. The fact is notorious. Apart from liability to dismissal, we have other facts pointing in the same direction. Succession to a

zamindari was hereditary, which does not prove as may appear that the zamindari was a property, but the reverse, because under Indian law real property would be divided equally among the heirs. Moreover the hereditary succession could not take place except with official confirmation which might not be easy to procure. A zamindar could not transfer his office without the sanction of Government. An heir incompetent to fulfil the duties of his office would be excluded. In summing up, it may be said the official document, or sanad, which confirmed the zamindar in his position was clear evidence, intrinsically and in its provisions, of his status as a functionary pure and simple.

Rights of proprietorship in the land, which we have shown did not inhere either in the State or in the fiscal agents known as zamindars. were vested in the cultivating masses. These masses were organised in village communities which through all the upheavals of Indian history remained the indestructible units of national life. They were small worlds in themselves, containing an elaborate internal structure where caste and occupation were closely integrated. Their attachment to their soil was intense, their powers of resistance to outside pressure astonishing. The political forces which held sway in succession all recognised the village commune as something to which their system must be adjusted; and, though, in various ways in different parts of the country, they grafted themselves on to the village for the purpose of extracting economic support from it, none of them even thought of trying to break it up. Thus a Moghul officer might be given a village as a feudal fief, or a village headman might be raised by the Maharattas into a tributary "landlord"; but through all this, the soil remained with those who tilled it. The following quotation brings out this fact:—

"As the Indian village communities were of extreme antiquity, so, too, the proprietary rights in land of the members of the village commune constituted a perfect title (free from accidental or accessory elements), which was derived from the acquisition (or by descent from the reclaimers) of land that had been *res nullius*. The union, for mutual help, defence and protection, in a village commune, of the holders of these perfect titles, did not derogate from those titles as against the rest of the world, including any germs, or possible embryos of germs, of zamindars. Theirs was the most perfect title to the land in each village; and any who might come after, could become proprietors of land only in the same way (i.e., by reclaiming it from waste), or by carving estates out of the lands of a village commune, by purchase, violence or fraud."

And the writer goes on to say with more particular reference to Bengal and the Bengal zamindars; "The joint and several property of the members of a village commune in the lands of their own village presented insuperable obstacles to the purchase by strangers of

zamindari (i.e., landlord) rights in the whole or major parts of villages." (Zamindary Settlement. p. 2.)

The character and status of the actual peasants may be given in the words of Baden-Powell. They were of two types, khudkasht and paikasht; "Both were by custom privileged, and were not liable to eviction." "khudkasht properly means a man who cultivates his own land; and, in reality, it points back to a time . . . . when the village cultivator was either a member of a body which had cleared the waste and established the village, or had become, by conquest or grant at some remote date, the virtual owner of it . . . . Pahi or pai—kasht meant a man who came from abroad and took up land to cultivate without belonging to the village permanently. He retained the appellation of origin, even if he in fact continued to till the land year after year."

These two classes of proprietors become the tenants, the raiyats, of the Permanent Settlement.

(3) Fiscal Anarchy: The Later Moghuls and Early Company.

The decline of the Moghul Empire was marked by a growing tendency of the various agencies of Government to grow apart from the Central executive. Feudal grantees (jagirdars), governors, and tax farmers settled down to a sort of local independence, and their position in regard to the land under them became obscured. The consequences for the peasantry have been described by a famous European traveller of the later 17th century. All kinds of functionaries, he writes, "have an authority almost absolute over the peasantry, and nearly as much over the artisans and merchants of the towns and villages within their district; and nothing can be imagined more cruel and oppressive than the manner in which it is exercised." (Bernier, "Travels" Ed. 1914, p. 225). From Bengal we have an account of the disorders that ensued. It was notorious, says a report: "that most of the principal gangs of robbers are in league with some of the zamindars, and generally with those in whose districts they leave their families and deposit their plunder."

These zemindars of Bengal were in fact coming to the fore as the dominant power in the country. The term include two categories, originally distinct, namely, the ancient Hindu nobility and the Moghul tax collectors. The latter were approximating to some extent to the status of the former. "The 'zamindar' had some land to begin with (i.e., land owned for personal cultivation; he soon bought up, took in mortgage, and otherwise made himself master of, other lands; he cultivated the waste with his own tenants, and it became his. And it is very likely that in these matters the lower order of men were more pushing and energetic than the old nobility; so that in the end, what

with the growth of the modern estates, and the decay of the older ones.....all *zamindars came to be looked upon as one and the same,* and their ancient differences of origin ignored." (Baden-Powell, p. 509.)

The zamindar was enlarging his revenues by illegal additions; he was not handing on these increases to the Government. His status was becoming most anomalous. Nonetheless, he was far from having effected a complete change in status; and so far as he had changed his status he had done so without any warrant in law or in recognised custom.

It was in 1765 that the East India Company achieved a political status in Bengal by securing the grant of the Dewani, that is, by taking over from the Emperor's lieutenant the function of revenue collection.

In regard to the Company, it need only be recalled that it was a strange and in many ways unsuitable instrument for the exercise of imperial power. As a mercantile body its paramount object was the fostering of dividends. It was the subject of uncontrolled speculation among investors in England; its organization was loose, was torn by internal dissension, and was not effectively supervised by the British Government. The result of this peculiar arrangement was that the Company's attitude to the provinces subjected to it was marked by contradictory tendencies, benevolence and rapacity. The former finds expression in a great number of official utterances, for example in the "Instructions to Supervisors" of 1769; "Among the chief effects which are to be hoped from your residence in the province . . . . is to convince the raiyat that you will stand between him and the hands of oppression . . . . that our object is not increase of rents or accumulation of demands." Macaulay, however, has summed up in a famous passage the incompatability between the Company's exhortations to benevolence and its constant demand for more profits; and, as is well-known, it was the demand for profit that settled what should be done.

The East India Company, being a commercial body could have its eye only on the side of profit. It mattered little to them whether the profit accrued to them by legitimate means or by oppressive exactions. A few years after the Dewani, Bengal experienced the greatest of famines that ever befell her. But it was not the business of the Company to see whether the people were afflicted. They went on increasing the rent and year by year its incidence on the afflicted became sharper. It will no more appear incredible if we quote figures to show that the company did not fail to increase the revenue even though one-third of Bengal's population died during that famine. In 1768, the revenue had been Rs. 1,52,04,856; in 1771, it rose to Rs. 1,57,26,576. It should be remembered that Bengal lost one-third of her population within that short spell of three years. This simply testifies to the fact that the only motive that existed behind the land revenue policy of the East India Company was greater and greater exaction of revenue.

So far as it did consist of pure looting, the company's early method of raising revenue was imitating the worse side of Moghul fiscal administration to farm out the taxes for periods of five years at a time. The assessments were high, and zamindars in some cases refused to take them up, and were superseded. From 1777, under Warren Hastings, annual settlements were made, while the executive struggled to develop a better personnel for revenue supervision. It should be noted in this connection that before the Dewani the British merchants would bring capital from their own country for investment in India. But after taking charge of the revenue of Bengal, they did not need importing capital from England as they could invest the money they raised from land in their commercial undertakings. This has come to be known as the 'drain.'

Somehow or other, the Company had to find a way of giving to its business of extracting wealth from Bengal at least fixity and regularity. In 1784 was passed the Act of Geo. III, Chap. 25, ordering an arrangement of affairs up till then in most disordered condition. Lord Cornwallis set about this task cautiously and the outcome was the Permanent Settlement.

(4) The Permanent Settlement.

The basic innovations made by the Settlement of 1793 are simple. The zamindars were recognised, or rather created, as land proprietors in the English sense. They were no longer to draw revenue from independent landowning peasants; they were henceforth to draw rent from a dependent tenantry. Of what they raised, they were to hand over about nine-tenths to the State. But what they paid over was not to be a fixed proportion, but a fixed lump sum. Whatever the value of their estates might in the future turn out to be, they were to continue in hereditary possession of them on condition of paying this sum, which was to remain the same in perpetuity.

Clearly, as regards status at any rate the zamindars were being given a great deal. What they held was no longer an office, which however custom might change it from its origin could never be an unchallengeable advantage, but a property, which they could manage, transfer, mortgage, as they pleased. A further substantial favour was thrown in. At that time a vast part of the country was not under cultivation. All this waste land, Government made over to the zamindars. The settlement was not accompanied by any survey of the country, the boundaries of estates were not demarcated. It was taken for granted that the boundaries were known, and also what waste tracts lay within them. Proprietors were thus able to get into their hands valuable forests, etc., which could not in fact be said to form a natural part of their estates.

The consequences for the State Treasury of the sweeping changes of 1793, will be touched on later. Here we must go into the two main issues around which mountains of controversy have arisen. The first concerns the justice or wisdom of the act that transformed zamindars into landowners. The second concerns the intentions of the authors of the settlement in regard to the status and interests of the peasantry.

A.—The Zamindars.

Reasons have been given above for believing that under Indian Tenurial Law, the soil belonged neither to the 'landlord' nor to the State; and it is therefore hard to see how either of these parties could have acquired a right to bestow the soil on the other. "The zamindars, as stated by Sir Barnes Peacock, were not proprietors of the land up to 1793; millions of raiyats were. The breath of Lord Cornwallis could not unmake these millions, or destroy the custom, more ancient than the law under which they transmitted their rights to their descendants, and under which those descendants were continually acquiring independent rights in the soil by cultivating waste, subject, merely, to payment of the established pargana rate." (Zamindary Settlement, 429). This quotation is enough to show that it is quite possible to represent the Settlement of 1793 as, on this side, a tremendous act of spoliation exercised against a class that Government was pledged to protect.

Baden-Powell takes the view that it is too summary a proceeding to speak of Lord Cornwallis 'making tax farmers into landowners with a stroke of the pen,' "Moreover . . . . it must certainly appear that no one intended to make the zamindar an absolute owner of anything, but to give him a certain estate in land (which is juristically a different thing), and that limited by a due observance of the rights of subordinate holders and cultivators. If, in effect, he got more than was intended, that was because the steps taken to secure the inferior rights were ineffective; it was not because the authorities were wrong in the view they took of the zamindar's position." (Baden-Powell, 523).

What then were the Government's reason for seeking to solidify the nebulous claim of the zamindars into a basis for its fiscal system? They are fairly easy to see. The Company had not yet any administrative machinery of its own capable of undertaking the assessment and collection of revenue. The zamindars, on the other hand, whatever might be done with them, could not be ignored. They were an institution in Bengal of long standing. Some of them, by origin local chiefs or Rajas rather than pure tax gatherers, did have a territorial position that might be expected to make them useful auxiliaries. Previous attempts on the part of the Company in the course of its experiments, to dispense with the zamindars had failed; there was nothing to replace them with. Politically, the Company's rule was uneasy; it needed allies, and hoped

to find them by attaching a strong native class permanently to its interests.

Economically, Company rule had reduced Bengal to exhaustion and it was necessary to find out a class that will guarantee the supply of an annual revenue to the company. Besides, Lord Cornwallis himself was a landlord and he had an estate in Ireland. History tells us what an ignominious part the Protestant landlords of England played in Ireland. It is no wonder that Cornwallis should set up a class in Bengal whose role would be as hateful as their brothers in Ireland. But the fun of the thing is that Cornwallis who imposed an alien and oppressive system upon the peasants expressed hope that these newly created landlords would see to the interest of the peasants and actively apply themselves to the improvement of their estates.

B.—The Raiyats.

In this section we shall discuss the humanitarian wishes of Lord Cornwallis, which were embodied in the Act of 1793. Cornwallis thought that by means of these, he had taken ample measures for safeguarding the interests of the cultivators.

Mr. Shore had drawn up a draft rules for the protection of the peasantry, but felt it difficult to interfere with the rights of landlordism. Cornwallis, while agreeing "that some interference on the part of Government is undoubtedly necessary for effecting an adjustment of the zamindars upon the raiyats," did not share Mr. Shore's difficulty. "If Mr. Shore means that after having declared the zamindar proprietor of the soil, in order to be consistent we have no right to prevent his imposing new abwabs or taxes on the lands in cultivation, I must differ from him in opinion, unless we suppose the raiyats to be absolute slaves of the zamindars; every bigha of land possessed by them must have been cultivated under an expressed or implied agreement that a certain sum should be paid for each bigha or produce and no more. Every abwab, or tax, imposed by the zamindar over and above that sum is not only a breach of that agreement, but a direct violation of the established laws of the country. The cultivator, therefore, has in such case an undoubted right to apply to Government for the protection of his property, and Government is at all times bound to afford him redress. I do not hesitate, therefore, to give it as my opinion, that the zamindars, neither now nor ever, could possess a right to impose taxes or abwabs upon the raiyat." (Zamindary Settlement, 142-3).

A declaration of the Bengal Government in 1822 is explicit in the same sense. "It was unquestionably competent to the Government in fixing its own demands, to fix also the rates at which the malguzar (landowner) was to make his collections; and it was, we think, clearly

intended to render perpetual the rates existing at the time of the perpetual settlement. The intention being declared, the rule is of course obligatory on the zamindars." (Zamindary Settlement, 28).

Baden-Powell attempts to set aside the above evidence. One cannot, he says (p. 523), trace any clear decision as to whether rents should remain at the then level; though he believes that there was an intention of doing more to restrict growth of rents than was later put in practice. He argues that there was not in fact in 1793 any ascertainable pargana rate".....that the later Moghul disorders had upset everything. "The idea that the whole body of raiyats had any gurantee under rule at fixed payments for ever, or that the law, when the Permanent Settlement was made, could have easily defined such rates and made them permanent too, is quite untenable" (p. 418). He adds that at all events new tenants settling on waste land could have no claim to exemption from rent increases, and that alone would seriously affect the question, seeing that so much of the country was waste in 1793 (p. 613). As against Baden-Powell's contention that there were no prevalent customary rates in 1793, we may quote the 1875 Tagore Lectures, which admit that the zamindars had previously been guilty of illicit additions to their collections, but maintain: "The zamindar was, however, to some extent controlled in his assessment by custom, which required that the rates usually paid by the village would be adhered to, at least in form. Those rates were well-known, and registers of them were kept by the patwaris and kanungoes in records called village and pargana *reybundees.*"

The actual provisions of 1793 are inconclusive. The only definite ones are that all extra cesses levied on the peasantry should be consolidated in one lump sum with the rent, and no new ones imposed; that rents should be specified in documents (pattas), to be given by the landlord to the tenant; and that accounts should be kept and receipts given. This was all that was done to give effect to the large humanitarian utterances of the Government. There was too easy a belief, as Baden-Powell says, "that the relations of landlord and tenant (generally) would settle themselves.....a belief which resulted in the silence of the Regulations as to any definite terms of protection" (p. 610). The idea was encouraged by the expectation that the presence of such waste land would, as in the past, continue to keep down rents. But all this waste land now belonged to the same proprietors who owned the settled ground.

Summing up; the assertion is correct, that the provisions of 1793 did not stabilize rents at a permanent level. The assertion is also correct, that the intentions of 1793 were to stabilize rents for ever, not merely to limit their growth; otherwise a great many of the official writings of the time have no meaning at all. The Government solemnly promised protection to the peasantry whose status it had so arbitrarily

altered. It failed even to say clearly how it was going to give that protection. It certainly never gave it.

(5) Working of Permanent Settlement in early years.

A. Zamindars.—It might be expected that the personal competence of the zamindar class would have been carefully scrutinized. But this was not so. The zamindars were given their great position in spite of official knowledge that they were the last persons in Bengal whose capacities might be held equal to it. Shore wrote, at the end of 1793 ....."If a review of the zamindars of Bengal were made it would be found that very few are duly qualified for the management of their hereditary lands, and that in general they are ill-educated for this task, ignorant of the common forms of business, and of the modes of transacting it; inattentive to the conduct of it, even when their own interests are immediately at stake, and indisposed to undertake it. Let a zamindar be asked the simplest questions having any reference to the internal business and state of his zamindari, his replies would probably be the same as if he had never entered it, or he would refer to his dewan or some officer for information." Shore had also written in the same vein....."The ignorance of the zamindars, and their great inattention to the management of the concerns for which they are responsible, is as deplorable as it is universal.....Let the situation of a man in this predicament, at the head of a large zamindari, the management of which is intricate to a degree, be considered. Nothing can be more evident than that he must be exposed to endless frauds and impositions .....To those who have been used to consider zamindars as versed in all the functions of their situation and trusts as possessing an intimate knowledge of their tenants and an immediate connection with them, as animated with a regard for the prosperity of their estates, and as faithful executors of the public duties, these remarks will appear extraordinary. They are the result of my own experience combined with that of others; and I fear no refutation of them." (Zamindary Settlement, pp. 133, 134).

So far from having gained a set of strong and loyal supporters in the country, the Government saw its nominees following one another into bankruptcy; particularly the other noble families whose presence had lent colour to the general recognition of landlordism. With a high assessment and ineffective management zamindars soon came within the reach of the severe Sale Laws, under which estates failing to meet their payment to Government were broken up and auctioned, at first with the cancellation of all subsidiary tenures on them. "In fact, it is scarcely too much to say that, within the ten years that immediately followed the Permanent Settlement, a complete revolution took place in the constitution and ownership of the estates which formed the

subject of that Settlement." (Macneile, quoted in Baden-Powell, p. 440). Official recognition of this process appears in papers of 1848. Mr. R. D. Mangles told a Committee of that year;....."The Committee no doubt know that a great many of the permanently-settled estates changed hands shortly after the Permanent Settlement from sale..... The landholders in general were a miserable imbecile set; the Raja of Burdwan is almost the only instance of a great family who have kept their estates.....enormous estates.....together; the majority of the great landholders were not men of business, fit for the management of their own affairs, but poor creatures brought up in the womens' apartment, and sunk in sloth and debauchery." Zamindary Settlement, p. 134).

B. Raiyats.—The original zamindars, who might by some stretch of a Company officer's imagination look like country squires, were replaced by a new type of man, more efficient and more oppressive. "The men", said James Mill in 1831 "who now hold the property are not resident; they are capitalists who reside in the towns and manage by their agents." And being asked whether a necessitous zemindar was not likely to put the screw on his tenants, he replied: "I believe he almost invariably does so; there are exceptions of benevolent zamindars, but I believe they are very rare." (Zamindary Settlement, pp. 134-135).

Government not only knew of, but connived at, the devices whereby the zamindars transferred to their tenantry the evil results of their own incompetence or ill luck. In order that their payments might not fall in arears, they were given legal powers of exercising arbitrary distraint against peasants who did not pay them whatever they choose to demand. These legal powers were embodied in the "Qanun Haptam" (Seventh Regulation of 1799) and "Qanun Panjam" (Fifth Regulation), which sanctioned such a tyranny over the countryside that so lately as forty years ago it could be said: "The peasantry of to-day attribute all their misfortunes to Panjam and Haptam." (Baden-Powell, p. 634). The coercive powers given to the zamindars, it has been forcibly argued, resemble with a sinister closeness those given by the Tsars to the landholders of Russia. (Zamindary Settlement, p. 70). Among the more painful obvious results was a decay of law and order. James Mill in 1831 pointed to the zamindari system as the cause of the gang robbery that had until lately prevailed "to a frightful degree." "I cannot help believing that the degree in which the raiyats were exasperated by being deprived of their rights when the operation of the zamindari system began to be felt by them, was one great cause of these enormities.....When the men, who considered that they had a right to hereditary occupancy, were either turned out of their possession, or had the rates increased upon them to such a degree that they could not retain them; then it was that they became

desperate and had recourse to those extremities." (Zamindary Settlement, pp. 158-159). Much other evidence is available as to the rack renting and oppression carried on by the landlord class.

It must be remembered that all this was taking place in defiance of the spirit and the letter of the Government pronouncements of 1793. To take one point, so late as 1859, fifteen-sixteenths of the raiyats has not been given "pattas" specifying what they owed. (Zamindary Settlement, p. 59). Indeed, the peasants had shown no eagerness to acquire pattas, since it had very soon become plain that the zamindars would use the occasion of issuing them to drive up the peasant's payments, and equally plain that the Government would not stand in the way of this. The fiscal legal administrative machinery that in other provinces was being perfected for the purpose of enlarging land revenue, was not developed in Bengal, where it was wanted for the protection of the cultivator. The police were notoriously '*zabardast*' (corrupt and oppressive); so were the lower Courts, while the higher ones were distant, slow and expensive.

By sacrificing the interests of the peasantry, the State did not even win the affection of their masters. Asked in 1832 whether zamindars could be reckoned a pillar of support, an official witness said: "I am not aware of their doing anything directly to uphold the Government; the indirect effect of a large body interested in maintaining the existing state of things may be considerable. But they still generally, I fear, dislike and fear us; and they certainly embarrass the Government whenever they think their own interests are likely to be affected by tax. Thus they.....set themselves to baffle the Government in all attempts made to discover the actual condition and rights of the great body of the people.....They appear to have been very successful in their resistance to all such measures, and so far have been, I think, very mischievous." (Zamindary Settlement, p. 136).

(6) Official recognition of the failure of the Settlement.

It is not long before we find official statements showing an awareness of the evil results of the Permanent Settlement; and it is remarkable that some of these statements appear to imply that the Act of 1793 was not thought of as having intended to create absolute proprietary rights, and that official circles were surprised by the logical consequences of what they had done. We may note at the outset that by the time Orissa came up for settlement (1812) the Home Government had already seen the unwisdom of a perpetual settlement with the Chiefs, and vetoed the proposal. A few selections from official papers may now be given.

The Select Committee of 1812, in its "Fifth Report" came to the conclusion that the zamindars had not formerly been proprietors of the land; a zamindar simply had as his office "to superintendent that portion of the country committed to his charge," and "to collect the rent of Government."

In 1819, the Court of Directors said: "It is clear that, in every respect, the two classes of raiyats are equally entitled to the protection of Government; and.....however well intended for this purpose, our regulations under the Permanent Settlement have not been effectual to it." They further said: "It is impossible for us not to remark that consequences the most injurious to the rights and interests of individuals have arisen from describing those with whom the Permanent Settlement was concluded as the actual proprietors of the land. The mistake (for such it is now admitted to have been), and the habit which has grown out of it, of considering the payments of raiyats as rent instead of revenue, have produced all the evils that might have been expected to flow from them.....There can be no doubt that a misapplication of terms, and the use of the word 'rent' as applied to the demands on the raiyats, instead of the appropriate one of 'revenue,' have introduced much confusion into the whole subject of landed tenures, and have tended to the injury and destruction of the rights of the raiyats."

In the same year Lord Hastings wrote of the position given to the zamindar: "It necessarily invests him with the power of compelling, from the several families of the village, the payment of their respective portions of the general contribution, and our acquaintance with the propensities of the natives must make us sensible that such a power is likely to be misapplied in arbitrary and unjust demands."

In the following year a Government resolution was passed, containing the words....."It can be a matter of no surprise that very injurious consequences have followed from a system of management under which all persons coming under engagements with Government, and entered in the Government books as proprietors, have often been confounded as belonging to one class, and have freqently been considered as the absolute proprietors of the land comprised in the 'mahals' for which they had engaged."

In 1821 the Court of Directors laid down in respect of Bihar and Benares, but with an eye on past short-comings in Bengal, that the Commissioners' proposal of annulling the prescriptive rights of the raiyats could not be entertained, they commented....."This is the more remarkable on the part of these Commissioners, as they say: 'It is almost superfluous to observe that in the dicussions prior to the decennial settlement, it was allowed that the raiyats had vested rights in the land, and the revenue authorities were especially enjoined to

secure them in them.' The annulment of all those rights, therefore, is or would be the most extensive act of confiscation that ever was perpetrated in any country. This is a subject of immense importance..... So long as the rights of the inferior classes of the agricultural population shall remain unprotected, the British Government must be considered to have fulfilled very imperfectly the obligation which it owes to its subjects."

The Select Committee of 1831-32 observed: In the permanently settled districts in Bengal nothing is settled and little is known, but the Government assessment. The causes of this failure may be ascribed in a great degree to the error of assuming, at the time of making the Permanent Settlement, that the rights of all parties claiming an interest in the land were sufficiently established by usage to enable the Courts to protect individual rights; and still more to the measures which declared the zamindar to be hereditary owner of the soil; whereas it is contended that he was originally, with few exceptions the mere hereditary steward, representative, or officer of the Government; and his undeniable hereditary property in the land revenue was totally distinct from property in the land itself....."Never" says Lord Hastings, "was there a measure conceived in a purer spirit of generous humanity and disinterested justice, than the plan for the Permanent Settlement in the lower provinces. It was worthy the soul of Cornwallis. Yet this truly benevolent purpose, fashioned with great care and deliberation has to our painful knowledge subjected almost the whole of the lower classes throughout these provinces to most grievous oppression, an oppression, too, so guaranteed by our pledge, that we are unable to relieve the sufferers.....a right of ownership in the soil, absolutely gratuitous, having been vested in the persons through whom the payment to the State was to be made, with unlimited power to wring from this co-partners an exorbitant rent for the use of any part of the land."

Remarks from James Mill's "History" reveal the view that had come on experience to be taken of the zamindar's character. He condemns the idea that police functions might be entrusted to the zamindars; and he quotes with approval a dictum of the magistrate in one district; "From the general character of the zamindars.....we do not think that it would be advisable to vest any of them with the powers of justices of the peace. On the contrary, we are of opinion that such a measure, so far from being in any way beneficial to the police of the district, would be a source of great oppression to the lower class of the inhabitants, and of innumerable complaints to the magistrate.....we have reason to believe.....that the zamindars not only in many instances encourage and harbour dacoits, but frequently partake of the property plundered by them."

It has been well said that the zamindars gradually trained the Government to believe that it was no use trying to interfere against their iniquities; that until about 1820 official consciences begun were keenly aware of their Government's sins of omission; and that then consciences began to fall asleep.

(7) Later developments under the Settlement.

We may first look at the later consequences of the Permanent Settlement from the point of view of the Treasury. Here we see what amounts to a continually increasing loss of revenue, not of course a drop in receipts, for these were fixed, but an inability to tap potential sources of increase. There was a rise of prices already in the later 18th century, and this went on during most of the 19th century. The result of the increment, had it remained with the producers would not have been a loss that an enlightened Government need have regretted; but it did not remain with the producers. It came into the hands of the landlords. An enormous disproportion, therefore, steadily grew up between the receipts and the payments of the zamindars. By 1880 it was calculated that the raiyats of Bengal were paying more by one half than the land revenue of all the rest of British India. Yet the Bengal Treasury was only receiving about £4 million from the raiyats. In effect, the Government was paying £20 million for the collection of £4 million; for in spite of changed forms the peasants' rent should still be considered as revenue, and the zamindar as nothing other than the collector of revenue. (Zamindary Settlement, p. vi-vii). Vakil quotes R. C. Dutt as saying that "By the end of the last century the State demand in Bengal was equal to about 28 per cent. of the rental of the landlords.....but this also shows the injustice that is done to the rest of India." (Vakil, p. 351). Mukherjee's estimate is slightly different: he thinks that in 1900 the Bengal zamindars were getting from the raiyats about 16½ crores and giving the Government less than 4 crores (Mukerjee p. 305).

Nonetheless, this was not enough to make the zamindars prosperous. Turning from the Government to the landlords, we are again compelled to recognize that the vision of improving a set of country gentlemen had been a mirage. "The testimoney of good authorities, extended over a long period, is that the zamindars have done little or nothing, the raiyats everything, for the extension and improvement of cultivation. (Zamindary Settlement, as above). This dictum is as true now as it was when written. Meanwhile, changes are coming over the estates themselves. They were subject to repeated subdivision, both from being partitioned among heirs and from portions of them being lopped off and sold to meet arrears to Government. This made them poorer properties, and involved mortgaging and further alienation. A

report of 1868 says, "The vast majority of the estates for which revenue is paid direct to the Government are petty properties, and the larger ones are almost all so charged with subordinate tenures of a more or less permanent character, as often to leave the so called owner with only a moderate annuity. (Zamindary Settlement, p. 54). According to figures of 1882, thirty-nine districts of Bengal and Bihar then embraced 110,456 estates, of which only 41 per cent. were of more than twenty thousand acres, while 11·1 per cent. ranged from 500 to twenty thousand acres, and the great majority.....88·4 per cent. were of less than 500 acres. (Baden-Powell, p. 441).

One main reason for the impoverishment of the zamindars was the multiplication of sub-tenures on a fantastic scale. There had been subordinate tenures n the zamindaris before 1793, and some of these were treated as independent estates, while others were cancelled or allowed to remain upon an understanding with the superior landlord. We can distinguish four causes for the increase in subinfeudation after 1793. First, many sub-tenures were created in order that waste land upon an estate might be brought the more rapidly into cultivation. Secondly, the idleness and ignorance of the zamindars predisposed them towards granting away their responsibilities. "Many a zamindar, who had no taste for estate management, or had more land than he could manage, would by a well-considered farm, or sub-lease, greatly improve his income;" (Baden-Powell, p. 542) though in Mukerjee's opinion zamindars sold sub-leases chiefly under pressure of need for a lump sum to meet their excessive spending. (Mukerjee, p. 91). Thirdly, the wide gap between rent and revenue created a rich field where speculative capital could find employment; and fourthly, we must mention the lack of adequate industrial growth that would have given capital more constructive outlet.

An allusion to one big estate, the Darbhanga Raj, which had to be taken under the management of the Court of Wards, is typical of the general trend of affairs. "When the Court took charge, in 1860, its condition seemed almost hopelessly bad.....All the villages were leased to farmers (tax farmers), most of them relatives of the Raj servants, who had got their leases on favourable terms. Others were outsiders, men of straw, who had nominally undertaken to pay rents far above the value of the lands, and who made what they could by rack-renting the raiyats and levying illegal cesses.....The correct rental of the villages was nowhere recorded. The estates were destitute of roads and bridges. The palace was neglected and in ruins; its court yards quagmires; its environs a hopeless waste of jungle, pools, and filth..... No productive works of any kind had anywhere been attempted." (Official Report quoted in Baden-Powell, p. 696).

The apt summary had been made that Cornwallis imagined he was introducing an English estate system: he was really introducing an Irish System. (Zamindary Settlement, p. 65).

The key-note of the whole business was rack-renting. "The modern zamindar taxes his raiyats for every extravagance or necessity that circumstances may suggest." (Administration Report of 1872). The numerous sub-tenures naturally added to the exploitation. The lessee often had no other interest but to amass the largest profit to himself, regardless whether, on going out, he left behind him an estate sucked dry and tenants verging on misery. In 1843, the system was described as "striking its roots all over the country, and grinding down the poorer classes to a bare subsistence." (Baden-Powell, p. 638) "Modern landlordism," writes Mukerjee (p. 37), "has assumed the rights and functions of the village community and turned them to the suppression of the peasantry." We have to understand how this injustice acquired legal toleration. It began with the permission given under the Sale Law for the raising of rents on auctioned estates, a permission tacitly extended to all zemindars. A theory was gradually developed in the Courts.....the best excuse is that it saved trouble to the authorities.....that unearned increment belonged naturally to the land owner. Far from rents remaining fixed at the level of 1793, they came to be revised about every five years, so as to deprive the cultivators of all incentive to improvements.

We wonder the Board of Revenue had to confess in 1873: "The condition of the raiyats all over Bengal is that of hopeless indebtedness." (Zamindary Settlement, p. 55). By that time the zamindars and their sub-lessees were extracting about thirty times as much from the raiyats as they had done in 1793. (Zamindary Settlement, p. 5). Since then things have continued along the same lines, so that now, as Mukherjee remarked (p. 308), rent in Bengal has been driven up very close to, and even over, the margin of economic rent.

All this has engendered in the social life of Bengal deplorable qualities. It implies a valid agrarian warfare. "The conflict rages in the civil, and often in the criminal Courts with a bitterness peculiar to disputes about land, with an intensity of hate that, if spread over a great part of Bengal, is a conception of a kind to make the flesh creep; and with results ruinous to both parties, ruinous to the raiyats in the degree of the ill success of a poor man contending against a rich man in a Court of Law; ruinous to both raiyat and zamindar in respect of the corroding effect of hatred the moral qualities of our better nature. This melancholy strife.....has confirmed the people of Bengal in a habit of litigation which means the play of the worst passions; but under the euphemism of a tax upon litigation we sweep into the public Treasury, as the fold into the bank at a roulette table, a flourishing

stamp revenue and thank God for our beneficent, healthful moral rule of British India." (Zamindary Settlement, p. 74.)

(8) Attempts at Legislative remedy.

In the second half of the century the state of things had grown so bad that attempts at remedial measures could not be avoided. The measures in question centre round the two Tenancy Acts of 1859 and 1885. In these the well established traditions of benevolent enlightenment, so prominent in the discussions of Lord Cornwallis's times, were well maintained, unhappily, the effects of the legislation have again fallen far short of its intentions. We need not, therefore, go into detail about the measures designed. In the Act of 1859 a beginning was made of the distinction between occupancy and non-occupancy tenure, on which subsequent Indian land law has largely turned. Occupancy tenure was a status to be acquired by twelve years of continuous holding and once it had been reached rent could not be enhanced except according to prescribed and restricted forms. Beyond this, some provision was sketched for settlement of rent dispute; the severities of distraint were modified; and a half-hearted attempt was once more made to effect the granting of pattas and of written receipts. The Act of 1859 carried forward the analysis of tenures, but dropped the effort to bring about a general issue of pattas.

These acts have been subjected to some criticism in principle; it has been maintained that their tendency was to give legal sanction to relations and practices which had come into being extra-legally. At the same time, it would not be fair to overlook the genuine desire manifested to set limits to abuses in the existing situation. What is of more importance, is that the operation of economic forces could not be held in check by the formulation of legal concepts, any more than it had formerly been restrained by philanthropic phrases. The growing pressure of the population on the land combined with fluctuation of prices to place the cultivator at the mercy both of the landlord and of the moneylender. We shall have to describe in the next part of our memorandum the situation that has thus evolved in the country side of Bengal. But before leaving the Acts of 1859 and 1885 we must lay stress on the dominant Act that they have not had an even approximately adequate success in ending those two curses of the Bengal peasant, rack-renting and eviction.

(9) Conclusion to Historical Section.

From this somewhat tedious historical narrative, we have gained two clear and important conclusions.

The first is, that when the authors of the Permanent Settlement recognised the zamindars as land proprietors, they did so in the sense of giving to this class a convenient description rather than with the intention of conferring on them the complete legal attributes that later attached themselves to their new status. We may emphasize this very important point by reference to the language used in the "great rent case" of *Thakurani Dasi* vs. *Bisweswar Mukherjee*, wherein the full bench of the High Court was assembled to thrash out the exact status of the zamindars. One of the Judges said: "Though recognised as actual proprietors of the soil, that is, owners of their estates, still zamindars and others entitled to a settlement were not recognised as being possessed of an absolute estate in their several zamindaries; there are other parties, below them with rights and interests in the land requiring protection.....The zamindar enjoys his estate subject to, and limited by, those rights and interests. . . . . The notion of an absolute estate in land as alien from the Regulation Law as it is from the old Hindu and Mohamedan law of the country."

Another Judge said it was "clearly established that, by the terms of the Permanent Settlement, the zamindars were not made absolute and sole owners of the soil, but that there were only transferee to them all the rights of Government. . . . it being further established that the khudkasht resident raiyats retained a right of occupancy in the soil, subject only to the right of the zamindars to the certain proportion of the produce represented by the pargana or district rates."

III.—The Permanent Settlement in Bengal to-day.

Lord Irwin, during his viceroyalty of India, recognised the faults of the Permanent Settlement and the evils that had resulted from it: "It involves a sacrifice of the share of the State in the growing values of the land and perpetuates assessments that must become more and more uneven as time goes on. Any measure, too, which tends permanently to limit the share which any class is called upon to contribute to the general revenues is almost certain to result in an unfair burden upon the other classes."

The inequity of increasing the burden of rent for the cultivator and exempting the zamindar from new taxation is obvious; at the same time, the increase in the number of rent receivers, eating up the profits of agriculture, rapidly depresses the status of the actual tiller of the land and encroaches upon the standard wages of cultivation. In proportion as the number of functionless landlords increases, so the number of uneconomic holdings increases and the majority of the actual cultivators are left with no surplus after payment of rent and interest on debt. In the preceding section we have seen how the

Permanent Settlement settled nothing as far as the cultivator was concerned; from 1793 onwards we see, at an ever accelerating pace, all those tendencies at work which are driving the cultivator from the land and draining off the profits of agriculture into the pockets of those who add nothing to its productivity.

(1) Census figures of Agricultural occupations.

We are told that in 1842 there were no landless peasants in India (Sir Thomas Munro, Census Commissioner); in 1872 there were 7½ millions; by 1931 about 30 per cent. of the whole population engaged in agriculture in Bengal was not only "landless", but not even admitted to temporary occupation of the land as "bargadars" (*vide infra*). The comparison of the Bengal census figures for 1921 and 1931 is significant:—

	1921.	1931.
Landlords and rent receivers ..	390,562	633,834
Cultivating owners or tenants ..	9,274,924	6,079,717
Labourers	1,805,502	2,718,939

The first and most obvious point to make in connection with these figures is that the class of rent receivers has increased by about 62 per cent. (The 1931 figures exclude those who are rent receivers as a "subsidiary occupation".) At the same time landless labourers have increased by about 50 per cent., and cultivating owners and tenants have decreased by about 34 per cent. These figures are themselves staggering. As a basis for investigation, however, they suffer from certain defects—

(*a*) It will be seen that apparently some two millions fewer were employed in aggriculture in 1931 than in 1921; moreover, we see that although the population in this decade increased by about 3½ millions the total number of earners appears to have decreased by 2 millions. This discrepancy is explained by the use of different methods and terminology at the two census operations. In 1921 the population was divided into workers and dependants; in 1931 we find earners (principal occupation), earners (subsidiary occupation), and working dependants (both subsidiary and principal), and finally non-working dependants. But the rectification of this discrepancy only leads us to conclude that in actual fact, though the decrease in owning and tenant cultivators may not be so great as appears from the figures viz., 34 per cent.) the increase in the number of rent receivers and of landless labourers is actually greater.

(*b*) In 1931 a distinction was made between cultivating owners, i.e., cultivators who had some sort of right in the land they tilled, and cultivating tenants. No such distinction was made in 1921. But the categories adopted in 1931 are admitted to bear little or no relation to the actual legal status of those concerned. The distinctions made were, in fact, arbitrary, as can be seen from the report on the census operation: "On these considerations (i.e., the difficulty of defining the words 'owner', 'proprietor', 'tenant', etc., and the extreme complication of the land system as legally recognised in the Bengal Tenancy Act) it was decided that a clean sweep would have to be made of the existing terms and notions current in Bengal.....even if a cultivator was not a tenant under the definition in the Act (viz., the Tenancy Act), he was still to be regarded as a cultivating tenant and returned as a cultivator but without permanent rights if he was entitled to remain in possession of his (*sic*) land during the season in which the crops sown and tended by him were in the ground although he might be liable at the end of the season to make over a proportion of the crops to the person with a title in the land." It is, perhaps, worth quoting from the instruction to census supervisors—"Those who have no right, title or interest in the land, and cultivate for wages in cash or kind are to be entered as agricultural labourers; those who have a right (etc., etc.) and actually cultivate it themselves or by servants or by hired labourers are to be entered as cultivators. If they have a tenure or a permanent tenancy or a tenancy with occupancy rights they must be entered as cultivators with a permanent interest. If they have no tenure and no permanent right but have a temporary or oral lease, or a lease as a *korfa* or *dar-raiyat*.....or have not any lease at all but merely right to the possession of the land by virtue of a mortgage, or an utbandi, or barga, or adhiari, or bhag settlement, even though they may not be tenants under the Bengal Tenancy Act, they must be entered as cultivators without permanent interest." No doubt division into such categories was both practical and valuable, but it cuts across the normal conception of different rights within the Bengal land system and obscures many of the most important social and economic classes.

(*c*) By far the most important of the results from the "clean sweep" described above, is the decision to regard bargadars as tenant cultivators. As admitted by the Census Officer, there is no legal justification for this definition and when we come to describe the status and the conditions of this unfortunate class of the agricultural population we shall see that they have far more in common with the landless labourer or even with the farm serf than with any description of tenant. The artificial definition adopted in the census is unfortunate because it tends to obscure the extent to which the peasant is being driven off the land. A bargadar, having no right or title in the land he tills on an oral

and annual lease, is to all intents and purposes driven from the land. It is impossible to say what proportion of the land in Bengal to-day is cultivated through bargadars, but it must be clear to any one who has any knowledge of the Bengal country side that this form of so-called "tenancy" is increasing at a fantastic pace and that to-day, in some areas at any rate, as much as one-third of the land is cultivated in this manner.

We are driven to the conclusion, therefore, that remarkable as the figures for the decade ending 1931 are, neverthless the real state of affairs is even worse.

(2) *Tendency since 1931 Census.*

Unfortunately no statistics are available since 1931. But it is not difficult to foretell what the 1941 census figures will reveal. One may confidently assert that the same tendencies will be seen in a vastly exaggerated form, for since 1931, the whole agricultural economy of Bengal was stricken by the effects of the world economic crises; nor has it ever really recovered as we shall see later. The drastic fall in prices hit the landlords in so far as they could not collect their rents and had to resort to eviction in the Civil Courts; it hit the middlemen, too, to some extent; but it was the peasant, indebted to landlord, middlemen, and moneylender alike, who felt the real weight of the crisis. Millions, who by starving themselves, eked out a precarious livelihood on an uneconomic holding and by borrowing at exorbitant rates of interest, succumbed and have, since 1931, joined the ranks of those without land or, it is to be feared, much chance of working for those who have. The census figures of 1931 were collected at the end of a period of exceptional boom in agricultural prices. In 1928 East Bengal appeared to the superficial observer, to be prosperous. We can only guess what the 1941 figures will reveal. In the debates in the Bengal Assembly on the Amendments to the Tenancy Act it was stated, and generally accepted as undeniable, that to-day at least 50 per cent. of the agricultural population is landless and that the number of actual tillers of the soil with occupancy rights is diminishing so rapidly as to indicate that the disappearance of this class is imminent. The backbone of the Bengal peasantry is being reduced, by the rapidity of land transfers, to the status of inferior tenants (bargadars, etc.) and agricultural labourers. Professor Mukerjee says: "The number of transfers of occupancy holdings effected by registered deeds has risen from 43,000 in 1884 to 2½ million in 1913 (and progressively more since then, no doubt). This implies the displacement from the soil of a highly desirable class of cultivators who are bought out and apparently must swell the ranks of the landless proletariat. The labourers, however, do not go into the mills,

factories and plantation of Bengal, which are mainly fed by up-country labour. They work either as under-raiyats or as hired farm hands and labouring partners. The former work at rack-rent on their own holdings, which have passed into the hand of their creditors, the fertile cause of under-cultivation and poverty" (p. 157). So long as the country is not industrialized to keep pace with this process, or unless this process can be at once checked, holding will continue to become more and more uneconomic and there will be a vast amount of agricultural unemployment and misery. These conditions breed social unrest and portend disaster.

(3) *Rent enhancement.*

At the time of the Permanent Settlement it was arranged that the Government should take 90 per cent. of the collections and the remaining 10 per cent. should be appropriated by the zamindars. The amount for which settlement was made was little more than 3 crores of rupees, that being the amount which, with minor variations, the Company had been collecting from 1765 up to 1793. In 1900, according to Professor Mukerjee, the revenue demand was as follows:—

		Rs.
Permanently settled estates	...	32,322,617
Temporarily settled estates	...	3,423,267
Khasmahal estates	...	4,104,753

But "according to the Cess Report of the Revenue Board the zamindars obtained 16½ crores approximately from the raiyats..... According to this arrangement (i.e., the proportion fixed in 1793), the zamindars ought to have received Rs. 40 lakhs; instead they appropriated Rs. 12½ crores, while the raiyats are actually paying 30 times more to zamindar than their due for the collection of revenue. For a century and a half the zamindars have appropriated a total amount of Rs. 1,800 crores approximately."

Of course this enormous increase in the total amount of rentals collected by the landholding class does not mean that individual rents, since 1793 have been increased in exactly that proportion. A large amount of the increase is accounted for by the fact that large areas of land were brought into cultivation and leased out to new tenants subsequent to 1793. Moreover the process of subinfeudation has meant an increase in the total amount of rental paid. But apart from these considerations it is not difficult to show that year after the burden of rent has been growing heavier and heavier and, in consequence, the amount being appropriated by the rent receiving class from the

productivity of the land growing greater and greater. During the second session of the Bengal Assembly, 1937, when the Tenancy Act was under discussion the total rental of Bengal was assessed by three different speakers at 29 crores (17 crores legal and 12 crores illegal), 30 crores (20 legal and 10 illegal) and 26 crores (20 legal and 6 illegal). If these figures are in any way correct, they show that enhancement is going on apace. Turning to the census report of 1931, we learn that between 1921 and 1930 there was an uninterrupted increase in the number of suits for rent enhancement; during the decade there were 200,104 such cases . . . . four and a half times as many in 1930 as in 1921. The Census Officer ascribed this increase to the general setback in economic conditions, and it is, therefore, not unreasonable to assume that since 1930 when economic conditions deteriorated, the process has been carried still further.

The Bengal Tenancy Acts of 1859 and 1885 attempted to restrain within limits the enhancement of rents; it is questionable to what extent they really did so. To take only the Act of 1885, we see that rent can be raised by contract: such enhancements are limited to 2 annas in the rupee, and the rent so fixed cannot be altered for fifteen years. It is, however, a notorious fact that not a few peasant cultivators prefer to contract themselves into paying enhanced rents rather than go to the trouble of fighting a suit in the Courts. Nor does the landlord limit to such kinds of pressure in order to get his tenant to execute a contract for enhanced rent; few tenants could stand up against the numerous forms of pressure that the landlord can bring to bear, and, as a result, it is common experience of Settlement Officers that rents in the district under survey have been being enhanced regularly, without even waiting for the prescribed interval of fifteen years; moreover, as far as can be seen, this enhancement has been with the consent of the tenant.

But rents can also be enhanced by suit in Court. The grounds upon which a decree is granted are—

(*a*) that the rate is below the average rate for occupancy raiyats,

(*b*) that the average prices of staple food crops have risen, and

(*c*) that the land has been rendered more productive either by reason of improvements made by the lord, or through fluvial action.

As far as those grounds specified in the Act are concerned it need only be said that they offer a very wide scope for the rapacity of the landlord. Obviously the first ground presents a vicious principle . . . . viz., the more a landlord can raise rents by so-called contract or agreement, the more he will be able to raise them by resort to the Courts. As regards the second ground, the implication is that it is the landlord

and not the cultivator who is to benefit by an increase in prices, and it does not follow that in lean years the cultivator will be able to demand and secure a reduction in rent. We shall have more to say later concerning improvements made by the landlord in the land of his tenant.

But the most serious criticism of the Tenancy Act as a check upon enhancement is that it seeks to protect the occupancy raiyat as such. It gives virtually no protection to the non-occupancy raiyat nor does it provide any check on a raiyat losing his status of occupancy. In other words, the person whom the Act protects is a creature of status; the Act does not protect as such, the men who tills the soil. What has happened to-day in Bengal is that the man who has an occupancy right in the land no longer tills the land. He sublets it to a sub-raiyat, but he retains (to his advantage) all the rights of an occupancy raiyat. The sections of the Act which were meant to protect the cultivating peasant are now being used to protect a new type of landlord; the right of occupancy which were meant to save cultivator from unfair enhancements actually serve to enable a petty landlord to rack-rent some one below him. This pernicious cottier system is inevitable where there is no check upon sub-letting and where there is no protection provided for the actual tiller of the soil as such. The vital blunder was to choose a legal personality for protection under the Act.

Not only the raiyat himself does sublet, but, what is even more common, landlords and members of the moneylending and petty trading class are buying up the raiyati holdings as their original holders have to sell out. These new "raiyats", if they can be so-called. do not cultivate the land, but they acquire all the privileges of occupancy. The rent of the under-raiyats to whom the land is leased is often ridiculously high . . . . e.g., as much as Rs. 36 per acre as compared with an average rental of Rs. 3 to Rs. 4 per acre for occupancy raiyats. The Bengal Tenancy Act does, it is true, give some protection to the under-raiyat, but the High Court in a ruling that may be legally sound but is most inequitable, have decided that section 48 of the Act does not apply unless the raiyat sublets the whole of his holding. All he has to do is to split up holding and he can enhance the rent as he likes.

As may well be imagined the holdings of under-raiyats are smaller even than those of raiyats . . . . in the district of Faridpur the average size of such holdings is 1·4 acres. With such minute holdings it is clear that the section of the Tenancy Act which legalises enhancements in view of a general rise in prices, is most inequitable; for, on small holdings, production can only be for home consumption and not for sale in the open market. Tenants who have no surplus agricultural product for sale clearly do not benefit from rise in prices.

(4) Illegal exactions (Abwabs).

According to the Report of the Settlement Officer for the district of Bakarganj the amount collected annually over and above legal rents is Rs. 20 lakhs, which is more than the entire Government revenue for that district. As we have seen, members of the Assembly estimate the amount for the whole of Bengal variously at 12 crores, 10 crores and 6 crores. It is impossible to say which figure is correct; all we can say that the amount is stupendous. According to Mukherjee the incidence of abwab varies from 30 to 120 per cent. of the legal rental, and he gives one instance (p. 134) of a raiyat whose rent was Rs. 10-15-6, but, from whom Rs. 11-1-0 was taken as abwab. These abwabs are nothing but feudal levies differing from district to district and being variable in amount. Sometimes they are marriage fees, fines for social offences, tolls and taxes for carrying on certain trades. Some zamindars levy a tax on tenants who dig tanks (ponds), others tax them for the construction of roads and canals. Of a different kind are the levies made on the occasion of a marriage or funeral in the landlord's house, or to pay for the purchase of a new car or horse for him. But even this list is not exhaustive; Mukherjee reports the ironic case of a landlord who levied a tax of 2½ times the rental in order to pay the costs of his own litigations.

Apart from the flagrant criminality of these exactions, there are two important aspects to be noted. Firstly, there is a tendency for these abwabs, in the course of time and as they become hallowed by custom, to be thought of, and finally consolidated, as part of the rent. The raiyat is so used to paying these illegal cesses, often in the face of physical intimidation, that he neither resists nor protests when they are incorporated as part of the rent. Moreover, as he has not been in the habit of receiving rent receipts, the superficial change in demand does not strike him. But in this way rents are illegally enhanced with the consent of the tenant. Secondly, it is becoming increasingly common for a landlord to demand nazarana from a tenant with whom he settles land—that is a lump sum will be paid down by the tenant before taking possession. This lump sum is over and above the fixed rental; but since it is really nothing other than a payment of rent in advance, the tenant is tacitly allowing himself saddled with an illegal enhancement of rent. In this way "protected" holdings are, to all intents and purposes, rendered "unprotected." In the case of holdings which are not occupancy ones it is common for the landlord to extort nazarana as the time approaches when the tenant will acquire an occupany right. Failing that he will evict him. Since in the zamindari provinces transfer of occupancy and other holdings takes place with considerable frequency, the landlords make a very large sum of money annually from the levy of nazarana.

The exaction of abwabs over and above the fixed rent is illegal; it was declared to be so in 1793, and again most specifically in 1859 and 1885. In 1937 fresh legislation was once again being debated with a view to suppressing this offence. Probably no single class of persons has such an inglorious record of criminality to their credit as the landlords of Bengal have. And yet it is doubtful whether one single case has been brought against the landlords, or any one of them, in order to check this abuse. Certainly illegally enhanced rents have been reduced at the all too infrequent settlement surveys, but normally the cultivator has been left unprotected. India can boast of a number of "dead" laws; but every attempt to check illegal exactions had been still-born. The zamindars have in this respect treated Government officials with a staggering impudence; nobody cares to deny nor conceal the fact that those exactions are often made with the accompaniment of physical violence. The acquiescence of officialdom, whether from political motives or out of sheer inertia, is one of the least creditable records of British Government. There have been some attempts recently in some of the Provinces, which, like Bengal, have a zamindari settlement, to make the illegal exactions of abwabs punishable by imprisonment; it appears that the landlords have successfully opposed this display of energy upon the part of the Government concerned; whilst they are prepared to admit a repetition, in legal form of the illegality of this practice, they are not prepared to make it a cognizable offence or punishable by imprisonment or fine.

(5) Rent and Revenue.

The average incidence of revenue paid by the zamindar is 10 annas 8 pies per acre; the average rental for all classes of land and for all classes of holding is Rs. 3 or, in other words, about five times the amount of revenue paid. This proportion is what we should expect since we know that the total revenue paid to the zamindars is about Rs. 4 per acre and it is estimated that the total rentals, exclusive of illegal exactions, is between Rs. 17 and Rs. 20 crores. But whilst the rents of occupancy raiyats, enhanced though they have consistently been under the provisions of the Tenancy Act, do not show any startling variations, those of non-occupancy raiyats vary enormously. In general and upon an average, it may be said that non-occupancy raiyats pay double the rent which is paid by settled or occupancy raiyats, but in saying this we should remember firstly that this is only a generalisation and that often the rents of non-occupancy raiyats are as much as Rs. 20 to Rs. 25 per acre; and secondly, that the holdings of non-occupancy raiyats are very much smaller—the average size is only 1·39 acres in the district of Faridpur—and that therefore the burden of high rents falls upon them with a severity out of all proportion.

The landlords of Bengal are exempt from income-tax so far as the agricultural incomes are concerned; but the Bengal revenue is only one-half of the amount collected from income-tax from classes other than the landlords, as compared with Bombay whose land revenue is double the amount collected by income-tax. This means that income derived from industry, professions, etc., etc., are being unfairly taxed compared with incomes derived from land. This inequitable distribution of the burden of taxation clearly plays an important role in retarding the industrialisation of the country. No man is likely to invest his savings in the comparatively risky province of industrial enterprise when he knows that by investing in land he will be acquiring a more or less tax-free income. The Permanent Settlement is, therefore, directly responsible for the industrial backwardness of the province and for the appalling process of subinfeudation which makes profitable agriculture impossible.

(6) Intermediary landlords and subinfeudation.

We have seen that the number of rent receivers increased during the lecade 1921-31 by about 62 per cent.; this is simply an increase in the number of intermediaries between the zamindar and the cultivator. The process was started immediately after the framing of the Permanent Settlement with the inability or the unwillingness of the zamindars to manage their own estates it gathered speed as new lands were brought into cultivation; it became a mad race during the period of the general rise in prices when rents were systematically raised on all sides under the provisions of the Tenancy Act, and the margin of profit between rents and revenue grew wider; and now, in the last few years, it has become a frantic scramble on the part of userers and petty professional middle class men to buy their way into the rent-receiving class.

"The zamindar need not part with his estate by an absolute sale, but can raise money by allowing his proprietary right to be subdivided into smaller estates of minor value; he still retains his status and receives an annuity that leaves enough margin for his payment of Government revenue. Inferior tenure-holders follow the same practice, with the result that middlemen after middlemen spring up who have no interest in the improvement of the land..... There is a class similarity between the landlords estates in Northern India and the *latifundia* in Italy and Spain. The estates in both cases are owned by great landlords whose sole interest in their property is in their rents. They let to one or more middlemen who make what profit they can during the term of their lease..... Many of the landlords of Bengal.....like those of Italy and Spain are absentees and attend to their property only for the purpose of receiving their rents." (Mukherjee p. 90).

This incessant splitting up and subletting of estates goes on unevenly in one district two or three intermediaries only are common in Eastern Bengal there are commonly seven or eight, and sometimes even as many as fifteen or sixteen. But even within the same district there may be wide variations, and in any case an individual cultivator may hold land in cultivation from landlords in quite different stages or *starta* of the hierarchy of subinfeudation. This in itself is a source of immense confusion and harassment to the illiterate cultivator who is confused by the intricate variety of his holdings and his liabilities; this confusion is not surprising when even trained Settlement Officers are often at a loss to unravel the complexities. On top of this confusion, there is the additional disadvantage that the poor cultivator has to meet the demands for salami and nazarana not from one landlord but from a host of them. It not infrequently happens that a cultivator has been in the past paying rent to one landlord for his group of plots of land; then one day he will suddenly find that above his head a new tenure has been created, but it has been created in such a way that now he has two landlords where before there was one; and although his nominal rent may remain the same, the incidental expenses and the illegal exactions will be probably doubled.

In Western Bengal the fertility of the land is much less and we find, therefore, that there are fewer degrees of subinfeudation. Unlike East Bengal the productivity of the land refuses to maintain a vast chain of intermediaries. Nevertheless, even in West Bengal there are more intermediate landlords than the land can support, with the result that inferior landlord holdings are constantly changing hands. The landlord at the top, the zamindar is an absentee; the landlord below and in immediate contact with the cultivator is continually changing. In such circumstances it is not surprising to find that improvements are rarely if ever made to the land by any of those who receive rents from it. Even on estates where there is no subinfeudation, there is no tendency to improve the land or ameliorate the condition of the peasant, and the landlords have lost touch with their tenants.

It was certainly the intention of the Act of 1885 that the raiyat, in whom the Act attempted to vest certain fixed rights in the land, should be the tiller of the soil, the genuine cultivator. The measures which were devised to prevent the subletting by raiyats failed. As a result, the so-called raiyats have become middlemen and the actual cultivators sub-raiyats without security and little better, in the eyes of the law, than tenants at will. The first step that must be taken if agrarian conditions are to be improved, is to abolish this group of middlemen or to return them to their status as cultivators of the land; it is these men who, because the cultivators below them has virtually no rights, are the most arbitrary and relentless.

(7) *Fractionalisation of holdings.*

Very much the same factors as have led to subinfeudation are responsible for the splitting up and fractionalisation of holdings. In the most populous parts of Bengal the conditions of agriculture are such that farming is no longer profitable; yet since the peasant has no other avenue of employment open to him, he needs must cling to his small holding, although, with each generation, it becomes split up into a tinier and less economic fraction. Desperately striving to make both ends meet and to avoid eviction for non-payment of his rents, he sinks well below the subsistence level in spite of having recourse to the moneylender. But eventually, on the verge of starvation and pressed by both moneylender and landlord, he will be driven off the land to seek a living as best he can by cultivating the land of another. But in spite of the fact that this process of expropriation is going on apace, still the average size of holdings is growing smaller; it is only holdings have been reduced to the irreducible minimum in size that the peasant at last allows himself to be driven off. And once the subdivision of holding into his own possession, prefers to let it out again as a fractional holding rather than to effect its amalgamation with other holdings. Exactly as has been the case in other countries of the world, the process of the concentration of land in the lands of a rent-receiving class is accompanied inevitably by the fractionalisation of holdings amongst a cultivating peasantry who are desperately fighting to retain their rights of cultivation. "The decrease in the size of the average holding in India within the last few decades has led to the decrease of the output per man, and sometimes of the total output per unit of land" (Mukherjee, p. 67). And it is equally clear that such decrease in the size of holdings has led a great deterioration in the quality of agriculture; for instance, rotation of crops is impossible, and manuring is less through (if it is done at all) when many small peasants donot even posess a pair of oxen.

Professor Mukherjee gives figures for the average size of holdings in two districts, Dinajpur and Midnapore; both these are districts of West Bengal where holdings are not subdivided to the same extent as they are in the East. In the former, the average holding is 3·10 acres; if raiyat holding at fixed rates are excluded the average size is 2·06 acres, whilst the average size for the holdings of under-raiyats is :26 of an acre. In Midnapur the average sizes are still smaller, the largest being that for occupancy raiyats (2·16 acres) and the smallest being that for under-raiyats (·41 of an acre). In the latter district the average value of gross produce per acre is reckoned (before the recent economic crisis) at Rs. 41 or £3. It is, perhaps, sufficient to leave it to the imagination to fill in the details of the story which these figures tell.

Since 1881 the proportion of the population supported by agriculture in Bengal has increased from 53·8 per cent. to 77·3 per cent (in 1921). The lack of alternative employment and the natural increase in population has led to this serious situation. The peasant himself is well aware of the evils of fragmentation; he is driven to it by starvation and the insistent demands of landlords and moneylender. As long as the pace of industrialisation cannot be quickened uneconomic holdings a vast rural unemployment must persist. It is interesting to quote in this connection the views of the Census Officer of Bengal (1931)..... "The prospect or even the possibility of so considerable an increase in population (viz., as that suggested by the present rate of increase) .....may lead to an apprehension that the population of Bengal is rapidly approaching numbers which cannot be sustained at any reasonable standard of living upon the means of subsistence which Bengal can produce for long..... It cannot be denied that a large part of the population lives at a very low level of subsistence, and that any increase of population must lead to increased distress unless the potentialities of the province are developed. What is suggested here is that these potentialities are such that pessimism as to the future condition of its population.....is not necessarily justified. Like the rest of India, Bengal is notable for its undeveloped resources and the inefficiency with which such resources as it has are exploited." How can these potentialities be freed? What is it that obstructs their development? These question the Census Officer, naturally, does not attempt to answer. It is sufficient that he has told us that even in 1931 the peasant was starving unnecessarily.

(8) Famine.

It is a joke in Bengal that the Government has, by executive order abolished famine and substituted for it when occasion arises "shortage." As a matter of fact behind the quibble of words there is a real and important distinction which it is necessary to understand when meeting the Government claim that their policy has removed the threat of famine. The last big famine was that of 1918-21; since then, we are told, there have been no famines (though there have been shortages and "famine conditions"). Government thought that by increasing the mileage of railways famine would become a thing of the past; but, as Mukerjee points out, "it has now been realised that the improvement of methods of transport has resulted in a growing tendency to the depletion in stock in the more fertile regions and a general disposition to part with food grain which was formerly kept as a reserve against scarcity. Famine Officers have added that another potent factor making for periodic, if not permanent shortage, is the tendency, which is now general for cultivators to rely upon the cultivation of a commercial crop

and to buy their food grain (if it is available and their commercial crop has been sold at a good price) in the open market. Whilst, therefore, railways tend to counteract the more violent repercussions of natural catastrophies and have enabled the Government to store grain and, incidentally, to claim that famines are things of the past, yet the gradual change in the economy of agriculture has worked in the opposite direction and has made "shortage," "scarcity" and "distress" almost annual occurrences in different parts of the country. Whenever, as has happened so often in recent years in Bengal, jute has failed to fetch a good price and at the same time, owing to drought or excessive floods, rice has been scarce and its price has soared, then there has been distress which, to all intents and purposes amounts to famine.

To take only two instances in Bengal in 1934 and 1936 there was a considerable distress. In 1934 the area affected was comparatively small; the distress was not recognised by the Government as being a "famine", nor indeed was it such. Nevertheless, the starving peasant is not interested in quibbling about the terminological definition that is appropriate to his distress. In parts of the district of Mymensingh the early crops had entirely failed; the cultivators, in so far as they cultivated a surplus crop for sale at all, had got prices lower than the average quite inadequate to tide them over until the late crop was ripe. The price of food grains in the district immediately soared and large stores were being withheld from the market by the middlemen in the hope of a further rise as the scarcity spread. Government officers could take no action so long as famine conditions were not declared to exist, except in so far as relief could be given by granting agricultural loans; but such relief is only given to the more prosperous tenants who can supply surety in the form of lands. The result is reported to be that for several weeks cultivators kept themselves alive by eating the leaves of trees. If the criterion of a famine is whether death directly due to starvation occur, then, it may be said, there was no famine, but the unpleasant fact is that the general impoverishment of the peasant and the need for him to grow crops for the market if he is to meet the demand of landlord and usurer, has brought about a state of more or less annual distress which is induced as much by the drop in agricultural prices as the failure of crops.

The "distress" or "scarcity" of 1936 was much more severe and widespread; it affected the whole of western and central Bengal and merited the appointment of a Famine Officer.....although he was not called a Famine Officer, because officially no famine existed. A total area inhabited by 7 million people was affected. Rupees 11½ lakhs was spent in relief and Rs. 36 lakhs in loans; the distress is described in the General Administration Report (1935-36) as being "very serious" ....."a very acute degree of distress had been reached" before the

local people were "prepared to come to the relief works at the rate of wages prescribed," viz., at the rate of 1½ annas a day.

The study of recent "scarcities" leads us to the conclusion that with the extensive building of railways in India the problem has indeed changed. To-day, the problem is less one of transporting food grains to an affected area than of enabling population that is starving, though not necessarily dying, to obtain food at a price that it can pay..... or if it can pay no price, to set the mechanism of the State working to relieve distress that has not yet been notified as "famine." The problems is less of an actual shortage of food stuffs, as one of supplying grain to a people that is not in a position to purchase grain that has not been grown by the cultivator who grows commercial crops. However that may be, it would not be correct to draw the inference that India actually produces sufficient food grains to make her immune, in the case of emergency, from a major famine. During the last decade the annual average production of food-grains was 83·03 million tons. If we accept the estimate of a recent Assistant Wheat Commissioner as to the requirement per head of the population of grain, viz., between 9 and 10½ chattaks a day (*N.B.*—the Bombay jail ration is 9 chattaks) or one-fifth of a ton per head per year, we find that the normal requirement of the population is about 65 million tons of grain per annum. To this figure, according to Professor Mukherjee, it is necessary to add 14 million tons for cattle fodder, 11 million tons for seed, and 6·3 tons for wastage.....a total of 96:3 million tons. Not only is this amount greater by more than 10 million tons than the average production of the whole country, but on top of this we find that an average of nearly 3 million tons per annum is exported from India. We are driven to the conclusion, therefore, that so far from there being an adequate reserve against the calamity of a major famine, India, under the present conditions of agriculture, is not producing enough food grains adequately to support her population.

It may be asked what has this to do with the Permanent Settlement? We repeat that India, still more Bengal, is capable of developing her resources to feed a population even greater than that which it supports, however meagrely, at the present moment. Not only has agriculture in the province failed to utilise the advance of science to increase its productivity, not only have no improvements in the land or in the mode of farming been made, but we actually see that the productivity of the land per acre has decreased with the fragmentation of holdings. Moreover, in Bengal there are still vast areas of culturable waste estimated to be as much as one-fifth of the cultivated area. The reclamation of waste lands is a task that cannot be undertaken without capital; apart from other difficulties, irrigation and drainage schemes are necessary. The landlords, we have seen, have proved themselves unwilling or unable to undertake such a task; they are

content merely to collect their rents. And as for the Government, it would appear that without the incentive of a potential increase in its revenue therefrom, such a task is not likely to be considered feasible. The ability, therefore, of the province to feed itself in the future must depend upon the determination which the whole problem of revising the land tenure system and the rehabilitation of agriculture is tackled.

(9) *Irrigation.*

The importance of irrigation to the agricultural life of India is well known. The Moghul Emperors built and maintained the most extensive and ambitious system of waterways and canals all over Bengal. Bernier, a French traveller in India, in the 17th century describes with admiration the network of canals, stretching from "Rajmahal to the sea" what made Bengal "richer than Egypt." "It produces," he wrote, "amply for its own consumption wheat, vegetables, grains, fowls, ducks and geese. It has immense herds of pigs and flocks of sheep and goats." Western Bengal depends for its winter crop on artificial irrigation; Eastern Bengal depends on irrigation for drainage of the flood waters and for means of communication.

The position to-day is that large areas have gone, or are going, out of cultivation from lack of irrigation and drainage works, or because those which used to exist have been allowed to decay, to become silted up or to be diverted for the use of steam navigation on the big rivers. In the complacent terminology of the Irrigation Department of the Government a large proportion of the rivers and canals of East Bengal are to-day regarded as "dead." What this means to the cultivator may be seen from the Report of a committee that was set up in 1930 to investigate the subject of irrigation in the province. They say, "In every district the *khals* (canals) which carry the internal boat traffic become, from time to time, blocked with silt. Its khals and rivers are the roads and highways of Bengal, and it is impossible to overestimate the importance to the economic life of this part of the province of maintaining them in proper order." As regards the effect of inefficient irrigation on health the Committee writes, "Central Bengal is at present a decadent tract; it is highly malarious and the population is decreasing rapidly, and the land is going out of cultivation. It may be, of course, the case that deterioration has already proceeded so far that it cannot now be checked and that the tract in question is doomed to revert gradually into swamp and jungle." Finally, "as regards the revival or maintenance of minor routes.....practically nothing has been done, with the result that, in some parts of the province at least, channels have become silted up, navigation has become limited to a few months of the year, and crops can be marketed only when the khals rise high enough in the monsoon to make transport possible."

The health of the population, the productivity of the soil, the area under cultivation and the ability of the peasant to market his goods are all being adversely affected by the complete neglect with which the irrigation system has been treated for the last 150 years.

Any improvements that have been made, have been the work of the cultivator, but, not unnaturally such improvements as the re-excavation of network of canals and the clearing of feeder-rivers has been beyond the scope of the individual tenants. In the report of the Irrigation Department Committee referred to above, we find, "those of us who were previously unacquainted with the system of land tenure in Bengal have been much struck with its effect upon projects such as those designed for the improvement of drainage or agriculture. In northern India, Government are always ready to finance projects of this nature since.....they constitute a remunerative investment of the general tax-payer's money..... In Bengal, except in the small areas where Government are the proprietors of the land, they secure no increase of land revenue, either immediate or prospective, from improvements financed by them or effected through their agency, and past experience shows that they are fortunate if they recover for the tax-payers the cost of the work and its maintenance."

In proportion as the zamindars and superior tenure-holders become isolated from the soil and relapse into absenteeism, their incentive to improve the land becomes less. This is only natural, since, like the Government above them, they have nothing to gain from the increased productivity of the land in so far as they have sublet at fixed rates. It is only the tenure-holder immediately above the raiyat who might be in a position to gain by effecting improvements, but he himself, as the process of subinfeudation goes on, is not a "capitalist"; he has little margin of profit and is likely to experience difficulty if he has to go to the Civil Court to get a decree for enhancement of rent on the basis of the improvements he has made. In any case, the improvement and maintenance of irrigation works can only be done, as we have noted, by a landlord who owns an estate covering a comparatively large area. "The zamindar and the higher grade of patni holders have ceased to spend anything for the cleaning of tanks which in consequence have become silted up or choked with vegetation, while the cultivators themselves and the tenure-holders of the lowest grades, whose interest it is to see that the tanks are kept in proper condition, are too poor to do anything unaided." (Mukherjee p. 93). But not only do the landlords fail to clear away the silt and to re-excavate blocked channels and tanks; on the contrary, they often encourage the silting up of these waterways so as to form new fields which they can then lease out to new tenants. A very common form of litigation, both in the criminal and Civil Courts, is where cultivators have attempted to keep open long-established waterways but have been forcibly driven off by the hired

gangsters of the landlords who are preparing to sow a crop in the silted up river bed. The preservation of tanks, canals and rivers was formerly the duty and function of the village community; the zamindars, in taking over the rights of the community, usurped their common privileges and turned them to their own profit.

The neglect of irrigation, water supply and navigation channels is only one aspect, if the most important, of the ossifying effect of the Permanent Settlement upon the condition of agriculture in Bengal. In a less degree the same is true of road and path building, of housing, village sanitation and the provision of anti-malarial measure. To their credit it must be said that a few—all too few wealthy landlords have endowed village schools and dispensaries. How inadequate and how inefficient these endowed institutions are may be seen, for instance, from the reports of the Health Department. On the whole, however, it may be said that the landlords, interested as they are in the land only as a source of rents, have taken even less interest in the mental and physical well-being of their tenants than they have in the improvement of the productivity of the land. This is hardly a matter for surprise in view of the record of the zamindars as a class.

To sum up, the zamindar in the early stages of his history was too pre-occupied with increasing rents by other means and bringing new land into his rent-roll to bother about increasing the productivity (and so the rental value) of the lands under him. Subsequently, he sublets to a series of patnidars and dar-patnidars and as a result lost interest in improving the land of which he was now only a nominal landlord. The new landlords either, as often in West Bengal, only held their leases for a few years with the intention of extracting what they could in as short a time as possible and therefore had no desire to make improvements, or, as is more common in East Bengal, again sublet to a series of smaller landlords under them, who were too poor themselves to invest agricultural capital in land improvements.

(*10*) *Share-cropping.*

Payment of rents in kind is fairly frequent in Bengal. With the change in the form of agricultural economy there arises a desire upon the part of the cultivator to commute such rents for cash rents. Provisions were included in the Tenancy Act of 1885 to ensure that, upon the demand of a tenant, commutation has gone on steadily, although in some districts as much as 15 per cent. to 20 per cent. of holdings are still held upon that basis. The amount of produce payable as rent varies from district to district, but there is no doubt that they constitute a most unfair burden upon the tenant, the value of produce that is handed over being considerably greater than the average of cash

rents. There might have been, however, one thing to be said in favour of this system.....that since under it the landlord stands to profit immediately from an increase in the productivity of the land, there is an incentive to him to make improvements on the land of his tenant. Unfortunately, there is no evidence to show that this faintly probable incentive has been effective.

It is, however, not with the class of tenants proper paying produce rents that we are concerned here. The class of share-croppers known in Bengal most widely as bargadars (also adhairs, bhagchasi, etc.,) are not strictly speaking in the eyes of the law tenants at all. They have no tenure, no permanent right in the land they till, but only a temporary or oral lease. In practice there are cases in which the landlord allows the bargadar to cultivate the same strips of land for several years in succession, but one more often finds that the lease is only made for one year and often not committed to writing. The census report, as we have seen, treats these cultivators as tenants, but legally they are labourers and it will be seen that their status is in fact much more akin to the latter.

Owing to the categories adopted by the census report it is not possible to say the exact extent to which land is cultivated in Bengal by the bargadar; it is certain however not only that the area is extensive but that it is very rapidly on the increase owing to the hold which the moneylender is gaining over agriculture and his preference, when he becomes a landlord, for this mode of cultivation.

It has almost always been the practice for landlords, even absentee landlords, to retain a small portion of land in their own possession (khas lands); these were generally the few plots surrounding the Rajbari, and the produce, from them was meant for the consumption of the numerous household servants and relatives who accumulate upon the estates of these landlords. Under the pre-1938 Tenancy Act when a tenant was evicted and the holding put up for sale the landlord had first option to buy it.....that is to say, instead of having another tenant on it he might "take it into his khas possession." This was frequently being done. Having taken possession of the land, the landlord did not, of course, cease being an absentee and start to be an active cultivator; on the contrary, he proceeded to reinstate on it the very peasant who had recently been evicted, but from now onwards instead of being a cultivating tenant with recognised rights in the land, he works for his master on land in which he has no right or interest. Half of the crop produced goes to the landlord, half is retained by the cultivator. Now it is quite clear that one reason why the landlord does this, is that it provides a very simple way of raising rents without recourse to Courts, for instead of getting a fixed rent which may be

three, four, five or even as much as seven rupees per acre he will be getting half of a crop which may be worth as much as forty rupees per acre. From the beginning of the 1920 onwards, when prices rose phenomenally, landlords rushed to convert their tenancies into share-cropping ones for obvious reasons; but precisely because prices were good the peasant could afford to pay his dues and was not turned off the land so easily. But now when prices have dropped again drastically, the landlord has no difficulty in evicting him, and, even though prices are low, finds it more profitable.

Amongst other reasons encouraging the growth of share-cropping, we may notice the growth of a new type of landlord—the moneylender-cum-landlord. He has made his money by the exploitation of the cultivator and his natural inclination is to invest his earnings in the land; at the same time he is a petty trader in jute or wheat or rice, very often the village grain dealer or he may be interested in transport. In any case the investment of capital in land is more attractive to him under present conditions than investment in industrial concerns. But he is not intending to cultivate the land himself any more than the old fashioned zamindar did. His investment is purely business enterprise, and as likely as not he will be an absentee landlord. But, on the other hand, he will probably be a pushing and go-ahead business-man, not content like so many of the old landlords to sit back and let his estate go to seed whilst the rents come in annually. Now, to a landlord of this type the receipt of produce rents has every advantage; not only is the higher rate well worth the extra trouble of assessing and collecting his half share, but, and this is most important, this new type of landlord is already a trader in grain or jute. It will pay him, therefore, to take as rent the jute or grain grown by his tenants rather than to take cash and then have to buy these raw materials for his business in the open market. In other words he is rationalising his business vertically. Consequently we find that amongst these new landlords it is the usual practice to have their lands cultivated by bargadars. They generally have acquired their lands by buying them in auction sales caused by the eviction of tenants who were their own debtors. Here again the same tenants is often reinstated as bargadar. Some of them have bought tenures direct from some superior landlord, others have acquired occupancy raiyats' rights. But in any case, the rate at which the area under cultivation by bargadars increases is very significant of the change that is overtaking agriculture in Bengal and the new methods adopted by the landlord class as a whole in order to extract for themselves a still greater proportion of the profits during a period when, for a number of reasons, profitability is falling.

As is true of every class of tenant or cultivator, so in the case of a bargadar the exact conditions of his contract vary from district to

district. The proportion in which the crop is shared is almost invariably 50:50, except in the case of some crops like sugarcane. Sometimes, especially in West Bengal, the cultivator only retains one-third of the crop. Except in very rare cases the cultivator provides both manure, plough and oxen. Leases are normally for one year. It is poverty and the intolerable burden of debt and demands for rent upon increasing fragmanted holdings that has driven the peasant to accept the status of a bargadar. His condition in that status is unbelievably bad; as a daily wage labourer he would earn considerably more, but the opportunities for selling his labour on the market are few since cultivating owners generally do not till such large farms as need the use of hired labour. There can be no doubt incidentally, that one reason why this mode of cultivation, viz., by bargadars, is popular with landlords is that experience has shown them that it is cheaper than cultivating by means of hired labour. If the ordinary peasant is driven off the land by his inability to meet the charges of cultivation, how much more impossible is it going to be for him to make a living when he returns to cultivate the same plot of land under such iniquitous terms as those given to the bargadar.

The legislation has mistakenly omitted to protect this class of cultivator entirely. An Act of 1928 recognises produce-paying tenants only in so far as they are raiyats or under-raiyats paying a fixed quantity of produce. The ordinary bargadar or adhiar does not come within this category, and, although they provide the ploughs, oxen and seed, yet they have no status as tenants at all. According to Professor Mukherjee, "In some areas such produce-paying cultivators have actually held the same lands through several generations, and both this custom as well as several High Court judgments that bargadars are tenants, have been abrogated by a stroke of the pen." (p. 108). Working as little better than serfs, it is not surprising if the bargadars devote little care to improvement or protection of the land, and undoubtedly the growth of share-cropping is responsible to some extent for the decrease in general productivity of the land which we have already noticed. Driven from their holdings to work as labouring partners, they represent a class of shifting and floating population which is incompatible with the stability necessary for efficient agriculture and presents a grave economic and social problem.

As far as this class is concerned the main object of legislation should be to give back to them a definite legal status. It is clear that the main task is to confer on the vast mass of the peasantry the status of "peasant-owner" and that wherever a cultivator has recently been driven off the land by force of economic pressure and has become a *bargadar*, he should be allowed the option and given the privilege to gain the status.

(II) Agricultural labourers.

We have remarked upon the rapid increase in the landless peasantry who earn a precarious livelihood working on the fields of the richer peasants when they are lucky enough to obtain employment at all. The economic causes of this tendency of the rural proletariat to swell are obvious. It is the experience of every agricultural community that without drastic state action to safeguard the rights of the smaller peasant, land accumulates in the hands of the landlord, the middleman and the richer peasant class. Most European countries have already taken steps to check transfers of holdings, to limit subdivision of land, to protect the tenurial rights of the cultivator and to re-establish landless peasantry by the partial expropriation of big landlords. The process, therefore, is not one that is peculiar to a zamindari system as established by the Permanent Settlement. But in so far as the Permanent Settlement has been, as we believe to be demonstrable, responsible for the more rapid economic collapse of agricultural economy than has occurred elsewhere in India, to that extent we can attribute the present dangerous situation to the working of the Act of 1793. But, however, that may be, it is at any rate true that a remedy has to be found and the landless peasant resettled on the land and provision made for keeping him there; and this cannot be done within the permanent system. Since we have used the analogy of foreign countries, it should, perhaps, be noted that on the whole the transfer of land in Bengal from the possession of the cultivator into the hands of another has not meant the building up of larger and larger estates. The tendency since 1793 has been for landlords' estates in most cases to decrease in size; they have been subdivided and cut up in the process of subinfeudation. And although individual landlords, at whatever stage of the hierarchy they may be, have consolidated their position and spread their power, yet on the whole it is the class of innumerable petty landlords who have driven their wedge in between the zamindar and the cultivator and progressively depresses the latter until he can no longer maintain his position on the land. This is a factor that makes the solution of the return of land to the landless in Bengal far more difficult. There are no, or few, large estates to be confiscated or bought up for resetting the landless. The ownership of estates, whether large or small, is not physical ownership, but merely a proprietary right or interest in their rental values. In this sense each acre of land is owned several times over, and the removal of the zamindar does not leave the land free for redistribution without annulling the rights of a host of other landlords.

It is difficult to establish the extent of cultivation by richer peasants through hired labour. Professor Mukherjee maintains (p. 197) that the substantial cultivator is relinquishing the personal cultivation of

his fields and depending more and more on hired labour. He considers this to be an ominous sign, bound sooner or later to be followed by conflict between the higher and lower peasantry as in Germany and Russia. What protective legislation there is tends only, as in Russia, to strengthen the position of the well-to-do peasant. (It may be noted that the recent tenancy legislation in some of the Congress provinces has this tendency). Certainly it must be presumed that the 2 or 3 million landless labourers are not entirely idle and unemployed, otherwise they would be starved to death. But whilst there are undoubtedly a large number of upper peasantry who employ regularly two or three farm hands; and many who take on seasonal labour for the harvest, it would probably be a mistake to believe that there is yet any widespread "capitalist farming" other than through bargadars. In fact on p. 219 Mukherjee seems to hold this view when he says holdings are so small that the cultivation of them is rarely more than can be done by the family of the owner unaided. The greater the pressure upon the land, the more uneconomic the size of the holdings, and the less the tendency to employ hired labour. Undoubtedly a very large proportion of the class designed as landless labourers are at present intermittently employed on road and other constructional works. The general proposition remains true—that the successful peasant who manages to improve his position either sublets his whole holding and becomes a rent receiver, or else sublets just so much of it as he is unable to till himself with the aid of his family. Because the present system places a premium upon petty landlordism, it pays him to do so.

The wages of agricultural workers vary from district to district and from year to year. As there is no legal minimum and the labourers have no bargaining power, wages tend to be driven down lower and lower beneath the subsistence level according as the supply of available labour increases. In the Census Report for 1931 we are given wage levels for the years 1908, 1911, 1916 and 1925; the wages there given varies between 5 and 10 annas a day, but in calculating this figure the Report has included the cash value of certain customary gifts the labourer, in some places, receives in kind. Professor Mukherjee compares the wages of certain selected years with the rise in the price of rice:—

	1842.	1852.	1862.	1872.	1911.	1922.
Wages in annas ..	1	1½	2	3	4	4 to 6
Rice (seers per rupee) ..	40	30	27·07	22·74	15	5

According to these figures the staple diet of the Bengalee has increased in price by eightfold, whilst his wages have increased four to six-fold. Even in 1922, therefore, it can be said that real wages had fallen considerably in Bengal; the same is found to be true in other provinces (*e.g.*, Bombay) where detailed investigations have been made.

But up till 1930 Bengal was enjoying a period of comparative rural prosperity. Subsequent to that date, as we have seen, the effects of the world crisis began to be felt and there was a rapid acceleration of the process of decay that was already visible from a comparison of the 1921 and 1931 census figures. The enormous increase in the number of agricultural labourers and the poverty of those tenants who still managed to hang on to their minute holdings, has made it impossible for a vast number of labourers to find employment at all, and those that do so, have to accept a greatly reduced wage. No regular survey of wages all over Bengal has, to our knowledge, been made of recent years. In certain districts of East Bengal labourers were being paid 3 to 4 annas a day in 1934; in 1936, during the "scarcity", it was estimated by officials that 2 annas was approximately the rate of wage that labourers would be receiving if there had been any labour, other than relief works, for them to do.

Various estimates of the amount required for the maintenance of a labourer and his family have been made, but, like all such estimates, they are only of doubtful value. One estimate, made in 1918 and for villages in the Deccan, arrives at the figure of Rs. 34·65 per month for a man, his wife and two children. Another and more recent estimate ("Nutrition in India" by Ackroyd) puts it at Rs. 5 or Rs. 6 per head per month. A ration about half of a maund of rice a month is allowed to convicts in jails; this, of course, is exclusive of the *dal* and vegetable ration. But taking into account the grain ration along for the moment, we find that from 1 to 1½ annas per day (according to the current prices) is necessary per head for the purchase of grain. This takes into account no other necessities of life. It is clear that even if the labourer is so lucky as to secure thirty days of work in the month, which at the best is likely to happen only during the harvest season, he will not earn enough to enjoy as much as a convict in jail.

In some parts of Bengal it is literally true that the agricultural labourer is starving. A statement given in the 1931 census report correlates economic conditions to the fluctuations in crime; it shows a very remarkable increase in crime just as the economic depression set in. The Census Officer tends to minimise the importance of this coincidence; in doing so he contradicts the experience of administrators, including that of James Mill which we have already quoted, that serious crime, such as dacoity, etc., is always prevalent when large numbers of the population are driven off the land and have no lawful means of livelihood.

"They are clad in rags and live in wretched, insufficient cottages along with the livestock of the farm. I have found men, women and children sharing the same thatched hut with buffaloes. A serf the farm hand is, and in ninety-nine cases out of a hundred a serf he must remain. With him, the temptation of higher wages in another village

does not count. Plague, malaria and influenza work their havoc on the population and mostly on him and his class . . . . above all, the precariousness and uncertainty of Indian rainfall, with which economic conditions are so closely and intimately related, are writ large on his forehead, betokening the small comfort of a single meal, this gruel and loin-cloth in a prosperous year and starvation and death in a year of scarcity. Such is the condition of the hired farm-hand in India, who is so often lost sight of . . . . that toiling, unorganized, long-suffering, but all important factor in the machinery of Indian rural life." (Mukherjee p. 239.)

Forced labour and serfdom are not recognized in India, but that is not to say that they do not exist. The status of the bargadar differs very little from that of the serf. Many labourers who are unable to hire themselves out for a wage attach themselves to the landlord who, often out of charity, gives them a meal in return for work done on his land, but by degrees the chance relationship becomes hardened into a custom and the labourer becomes in actual fact the serf of his master, rarely, if ever, receiving cash payment for his services; he is often, quite literally, a slave. Debt slavery is less common in Bengal than in other parts of India where there are large aboriginal populations. But even in Bengal it is found. As an example of the inability, or unwillingness, of the Government to stamp it out, we may quote a report, dated 18th September 1937, issued by the Press Officer of the Government of Bengal; the object of the communique was to impress the public with the good work being done by the Government's scheme of "Debt Settlement." It reads: "What is a debtor to do when he has a large number of able-bodied youths in his family but not sufficient land to keep them employed? Of such a case we hear from Rangpur where the creditor has given some of his own land to the debtor to cultivate and the entire crop is to be delivered to the creditor; the half value of the crop liquidates the adjusted debt (the other half is rent), while as an additional benefit (*sic*) the debtor secures occupation for his whole family." A Government which encourages settlement of debt along these lines is embarking upon a perilous course. But the case so long ingenuously cited by the Press Officer is not, as he thinks, a brilliantly new solution of an old problem; it is a practice that is known to every villager in Bengal. In a period of comparative prosperity the moneylender, who is very often the landlord also, finds little difficulty in collecting his interest or persuading the cultivator to incur new debts on the security of his lands whose value will be high. But in a period of economic distress, the moneylender cannot collect his dues and the value of the security has dropped enormously. What is the creditor to do? He may not even be able to sell the holding of his debtor at a price that will cover the debt; he knows that he cannot recover interest or capital from the debtor. The only thing that he can recover from him is his labour, either as a bargadar or as a

farm-hand. That is how debts are "settled" daily in Bengal without the elaborate procedure that the Press Officer is at pains to advertise.

But there still exists, also, a remnant of simple feudal serfdom. On many estates the tenant is still expected to cultivate the land of his landlord for a few days in the year, and, of course, these few days will coincide with the harvest or sowing season or just when the peasant can most ill-afford to leave the cultivation of his own land.

(12) Debt.

No account of the conditions of the cultivator would be complete without a reference to indebtedness and the power which the moneylender has over the peasantry. From our point of view the important aspect is the extent to which he has used the framework of the Permanent Settlement to strangle the peasantry. No class flourishes so impudently as this class, and it often seems as though the land laws were especially devised to enable them to prey upon the peasant. Laws against usury exist; but they are not operated. A rate of 150 per cent. or more is frequently found to be charged on debts, whilst anything between 30 and 100 per cent. per annum is normal. Unpaid interest is added to the principal, and since moneylenders are always most "accommodating" debts tend to increase year by year until the debtor is completely in the power of his creditor. The moneylender then gains control of the land, and he almost invariably employs the cultivator as a farm-hand (probably without payment of a cash wage) or on a produce sharing basis. Frequently he is the only literate man in the village; he knows the law and exploits his knowledge to the detriment of the peasant debtor. His account books, such as they are, are intelligible to himself alone and what he says to be the debt, that according to law it must be accepted to be.

The pressure which the moneylender exerts is the cause of the extreme instability of agriculture in Bengal. Figures collected by Mukherjee show that in Jessore, for instance, mortgages have increased during the last thirty years from 6 lakhs of a value of Rs. 7 lakhs in 1890 to 12 lakhs with a value of Rs. 18 lakhs in 1920, whilst 15 per cent. of the land change hands every ten years. Land transfers by sale have increased by 40 per cent. In the same district in 1926 80 per cent. of the population were found to be in debt, whilst the average debt is reckoned to be between Rs. 150 and Rs. 175. (Provincial Banking Committee Report, 1929-30).

Our Demands.

The rent which a peasant has to pay, is, unlike the income-tax of a businessman, independent of the profit he earns, or even of the value of his produce.

Table I (All-Bengal).

Year.	Total value of 9 major crops.	Total rental.	Rent as percentage of value.
	(Crores of rupees.)	(Crores of rupees.)	
1929-30	188·6	15·2	8·1
1936-37	134·3	17·0	12·7
Percentage change	−28·8	+11·8	..

Table II (24-Parganas).

Year.	Total gross profit.	Total rental.	Rent as percentage of profit.
	(Crores of rupees.)	(Crores of rupees.)	
Pre-depression	8·86	·955	10·8
Post-depression	3·76	·961	25·6
Percentage change	−57·6	+0·6	..

N. B.—Total profit without deducting rent.

It must be remarked here that the basis of costing on which profits are calculated is by no means standardised. In the case quoted above the cultivators' own labour did not enter the cost!

Cost of Cultivation.

Mr. Sachse, in his Final Mymensingh Settlement Report (1908-19) estimated the total profit from 16 items of agricultural produce in Mymensingh to be about 12 crores of rupees, while the total value of the produce was Rs. 22 crores. The cost of cultivation, on this basis works out to a little less than 50 per cent. To-day, the figure is bound to be higher, because the prices are no longer the same.

Table III.

Crop.	Prices in Mymensingh Settlement Report.	Mymensingh prices to-day (average).	Value of crops as calculated in Settlement Report.	Value of crops at to-day's prices.
	Rs. a.	Rs. a.	(Lakhs of rupees.)	(Lakhs of rupees.)
Aus	2 4	2 0	3,15	2,04
Aman	2 8	2 0	7,28	5,36
Jute ..	9 0	6 0	8,16	2,16
Sugarcane	7 8	2 8	13	25

The above table shows that the total value of three major crops on the basis of 1937-38 prices is half the total value of the crops 20 years ago.

While the prices depend entirely on the caprices of the market, the cost of cultivation, however, cannot be depressed to any desired level. It would only be fair to assume that the cost of cultivation is to-day higher than 50 per cent.

The Burdwan Kisan Sabha undertook to collect from actual cultivators some basic data as to costs. A sample is submitted.

Table IV.

Village Sadya, thana Burdwan.

Name.	Annual cultivation expenses.	Household expenses.	Value of grain and straw.
	Rs.	Rs.	Rs.
Bijay Kongar	823	400	1,069
Mrityunjay Kongar	178	173	230
Kumarish Ray	624	293	774
Gokul Sain	445	266	360
Govinda Kongar	860	400	943
Satyapada Kongar	300	150	383
Jibananda Kongar	60	250	151
Debiprasad Dan	370	162	436
Krishna Ch. Kongar	40	120	90
Bholanath Kongar	70	170	113
Tulsidas Kongar	392	180	472
Bholanath Kongar	55	40	93
Jibananda Kongar	40	65	192
Purna Ch. Chandra	400	465	716
Radha Govinda Chandra	76	415	160
Total	4,733	3,486	6,182

The cultivation expenses excluding household expenses work out to 76·5 per cent. of the value of crop. If household expenses are included the aggregate expenses would be 132·8 per cent. of the value of produce.

We have shown later that the average cost per acre of aman paddy amounts to Rs. 23. The value of grain and straw would be about Rs. 35. The cost as a percentage of value would then be 66 per cent.

Even allowing a very conservative estimate of the cost of cultivation being 50 per cent. of the total value, we arrive at the following:—

Table V.

Year.	Total value of (rice, jute, sugarcane, tobacco, mustard, gram, cotton, linseed, wheat).	Total profit.
	Rs.	Rs.
1936-37	134·3 crores.	67·2 crores.

Taking the total number of peasant earners as 1 crore, the position would be as follows:—

Value of crop per earner.	Profit per earner.	Rent per earner.	Rent as a percentage of profit.
Rs.	Rs.	Rs.	
134	67	17	25·4

In the case of private individuals, earners with an aggregate of less than Rs. 2,000 per year are exempted from income-tax. Peasant earners, however, with an average income of Rs. 134 per year have to pay a tax of Rs. 17. 25·4 per cent. on profits well exceeds the rate paid by an average industrialist.

The conclusion is self-evident. The agriculturist in Bengal is rack-rented.

Is it possible to remove the burden by mere rent reduction? No. We have only to refer to history. Are there no illegal exactions in Bengal because the Bengal Tenancy Act provides against them? There are. The reason is not far to seek. The law gives the landlord and his underlings power to extort rent even when the land cannot yield a taxable surplus. The illegal exactions are a logical conclusion from that lawless law.

Rent must go. In place of rent we must have the agricultural tax. Like the income-tax the agricultural tax must be graded, and like the income-tax, the agricultural tax should only be leviable above a minimum income (net).

Cost of production of Aman paddy.

(Cost of Human Labour at 4as. per man-day.)

	Mr. Sachse.	Director of Agriculture.	Mr. A. C. Lahiri.	Mr. S. P. Bose.
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
Ploughing—				
Cost of human labour ..	..	3 8	..	2 4
Other costs	..	..	2 13	..
Total cost	18 0	..	..	..
Sowing and Transplanting—				
Cost of human labour ..	..	2 0	..	1 8
Weeding—				
Cost of human labour ..	..	0 8	..	1 8
Other costs	..	..	1 8	..
Harvesting—				
Cost of human labour ..	..	2 4	..	2 12
Other costs	..	..	3 6	..
Threshing—				
Cost of human labour ..	..	..	..	1 0
Other costs	..	..	0 12	..
Preparation for marketing—				
Other costs	4 8	..	2 4	..
Cartage—				
Other costs	..	..	2 4	..
Total cost of human labour ..	..	8 4	..	9 0
Cost of seed	1 8	..	2 0	0 9
Cost of manure	..	..	..	2 0
Total bullock power ..	..	..	..	11 9
Implement charges	..	..	..	0 8
Total cost ..	24 0	..	12 15*	23 10

*Rai Bahadur A. C. Lahiri's estimate excludes the cultivator's own labour. Adding the Director of Agriculture's Rs. 8-4 for cost of labour we arrive at a more uniform figure of Rs. 21-3.

Total cost per acre.

	Rs. a.
F. A. Sachse—Final Mymensingh Settlement Report (1908-19)	24 0
A. C. Lahiri—Final 24-Parganas Settlement Report (1924-33)	21 3
S. P. Bose—Indian Journal of Statistics, Volume 2, Part 2	23 10
W. H. Thompson—Final Tippera Settlement Report (1915-19)	22 0

Certain authorities hold that uneconomic holdings (below 3 acres) should be exempted from tax. But we demand that the basis of taxation should not be the size of land, but the amount of net profit.

The Revenue Department of the Government would look upon this scheme with disfavour because this criterion of taxability would exempt a large class of cultivators. We, on our part, do not think that the problem of raising Rs. 6 crores, say, from an annual profit of Rs. 67 crores is really very great. The cultivators will have to be divided into blocks according to the size of profit, and Rs. 6 crores should be so distributed that the poorest cultivators are exempted, and the richer the peasants the more their rates of tax.

It should be clear from the foregoing that landlordism is incompatible with the abolition of rent. Nor is it conceivable that the landed hierarchy of yesterday used to illegal practices of the worst sort would reform themselves overnight into conscientious tax-gatherers. We must employ radically different methods for the collection of taxes.

Peasant Committees.

In attacking the problem of tax-collection, we invariably fall into an error. We imagine that if peasants are put in charge of collecting agricultural taxes they would default. From which we conclude that the tax-gatherers must belong to a class inimical to the peasantry—and the just level of taxes would be determined by the haggling of two classes. Such a view finds little support in practice, co-operation is a common feature among the peasants. If the law recognises democratically elected peasant committees and appoints these committees with the functions of gathering taxes and disbursing grants loans, etc., from the State, the whole problem is simply, cheaply and realistically solved.

The Ownership of Land.

The ownership of land by landlords is clearly incompatible with our scheme above, and so to us inadmissible. The only two alternatives are (*a*) State ownership and (*b*) peasant ownership. The argument in favour of State ownership with annual leases to the peasantry is that it is of advantage from the point of view of centralised land reform. But such a system would be more open to influences of corruption. In view of this danger, and in view also of the opinion of the overwhelming majority of the cultivators themselves, we would advocate the transfer of full rights of property to the individual cultivators.

Would that not make centralised land reform practically impossible of attainment? In our opinion, no. The reasons are as follows:—

The ownership of land by cultivators plus the disappearance of rent, would, it is true, give the cultivator some relief. But really it is no solution to his poverty. The average cultivator has not the money to buy seed. Few indeed of the actual cultivators of the soil possess a complete set of even the present crude equipment of cultivation. Cultivation is carried on by a peculiar co-operative system. A man with a pair of bullocks lends his bullocks to the man with the plough, and borrows the plough from him by turn. What is easier than to collectivise such poor peasants? Land reform would be easier to accomplish in Bengal, without coercing the peasants by law, simply because of the poverty of the peasantry.

Prices.

It is unfortunate that the terms of reference of the Commission does not include questions other than the land system. A major problem of the Bengal agriculturists is their poverty. If the land system were altered a hundred years ago, this problem, would perhaps be solved. But to-day it is impossible to remove or even reduce substantially the poverty of our peasants without legislation in other directions, such as price fixation.

The sudden collapse of the Bengal peasantry was brought about more than anything else by the precipitate fall of prices in 1929-33. The prices of certain crops fell as follows:—

Table VII.

Crop.	Percentage fall in prices between 1929-33.
Rice	... 68
Jute	... 61
Sugarcane	... 44

The Bengal peasant has not yet recovered from that crash. Even to-day the crops expressed as percentage of their 1929 prices would be—

Table VIII.

Crop.	Percentage of 1929 prices in 1937-38.
Rice	... 58
Jute	... 66
Sugarcane	... 41

Clearly the prices cannot be left to the mercy of the "laws" of supply and demand, in which the suppliers are helpless and the demandeurs are as powerful as dictators in politics. Law must come to the aid of the weaker.

Prices must be fixed by law. The minimum legal level at which the cultivator is to sell to the first buyer should be calculated on the basis of scientific costing.

Should the first buyer be unwilling to buy enough at the statutory price the unsold stock must be handed over to co-operative warehouses. Money for the crop should be provided by co-operative credit banks, necessarily backed by the Reserve Bank of India.

Of course prices cannot be fixed artificially for any length of time. To keep the prices at an economic level a state-co-ordinated restriction must be initiated. Compensation must be paid to cultivators for temporary loss due to restriction. Restriction must be compulsory, backed by radio propaganda.

Reduction of costs.

In the case of jute, restriction would improve prices. But in the case of rice, nothing short of provincial autarchy can induce town-dealers to buy Bengal rice at a lower rate of profit in favour of rice from elsewhere. The Kisan Sabha, an all-India organisation is against provincial autarchy. The real solution is to improve productivity, and so decrease the cost of production. A comparison would be illuminating.

Table IX.

Yield of rice (quintals per hectare).

Country.	1927-32.	1932-33.	1933-34.	1934-35.	1935-36.	1936-37.
Bengal	10·5	10·8	10·0	10·0	8·6	12·2
China	25·1	28·5	26·0	21·3	25·8	26·5
Japan	35·4	34·7	41·8	30·6	33·6	39·3
U.S.A. ..	22·9	24·0	23·8	24·3	24·0	25·5
Italy	47·0	48·5	51·6	50·1	53·3	50·7

Landlordism, which has no economic incentive to improve agriculture cannot be expected to do so.

Table X.

Rent revision work.

Year.	1934-35.	1935-36.	1936-37.
	Rs.	Rs.	Rs.
Old rent	1,26,695	63,946	89,893
New rent	1,57,460	75,691	1,76,124
Difference	30,765	11,744	86,231
Landlords' improvement	..	..	..

In the case of these rent revisions the landlord's contribution in demanding an enhancement of rent was nil. Even when there is a contribution, its volume as compared to other influences is negligible.

The Permanent Settlement, as is universally admitted, has led to the break up of large estates, and also to fragmentation of cultivators' plots. A reference to the Settlement Reports would show this amply. Any attempt at technical improvement must necessarily imply co-operative, collective agriculture, which is unthinkable under the Permanent Settlement.

Debt.

An unintelligent handling of the debt problem can do more harm than good. Before the introduction of the present system of Debt Setttlements, a state of virtual moratorium prevailed in many parts of the country. Since the debt settlement operations began, managed by petty landlords and moneylenders in most cases, the moratorium has been cancelled.

It is asserted that since the beginning of the debt settlements credit has gradually gone dry. According to our information it has even had worse developments. While a debt was granted on land-mortgage, now even actual sales are fictitiously registered before credit is granted, and the peasant has to work on his own land without having sold it as a landless peasant.

The solution of the problem of debt is impossible without (*a*) short-term credits for cultivation, and (*b*) long-term credits for debt repayment. The latter is not easy to procure in the present market. The lines on which solution is expected is (*a*) issue of short-term credits

by Government agencies, and (*b*) moratorium of past debts for five years. Cancellation of debts, however, must be granted to those who have paid more than 1½ times the amount of the principal in interests.

Question of compensation.

According to our scheme, about 7 lacs of rent receivers will cease to earn a livelihood from rent and will have to find alternative employment. Should they be paid compensation in cash?

Whether the amount of compensation paid is Rs. 170 crores or Rs. 17 crores, one thing is certain, that the money will simply be eaten up. We are opposed to such false compensations. The real compensation would be a security of finding employment. The scheme for finding employment is also the scheme for the reconstruction of the province.

Large scale irrigation, so necessary to the western Bengal, would mean employment for engineers, builders and overseers.

The building of trunk roads would need engineers, overseers, labourers.

Agricultural marketing would need accountants, and commercial agents.

Sanitation would need doctors, nurses, compounders and assistants.

Compulsory primary education would need a hundred thousand or more teachers.

In fact, there would be a shortage of men to carry out such a scheme. And the initiation of such a scheme, for which money must be found from the land, large industries and banks would be a real compensation to those eking out a difficult existence on an impoverished land.

Reclamation of Land.

While in the Central districts land is mostly under the plough, in the western and border eastern districts, land can still be reclaimed. We are against settling individual peasants on such land, as we are of breaking up large estates. Large estates should be collectively transferred to the cultivators. Reclaimed land should be State-owned and worked by agricultural labourers, and serve as the enlarged grounds for the present impoverished Department of Agriculture, where peasants can be shown what model farming means in practice.

Oral evidence of the representatives of the Bengal Provincial Kisan Sabha, on 22nd March 1939.

PRESENT ON BEHALF OF THE SABHA :

(1) Mr. Bankim Mukherji, M.L.A.
(2) Mr. Rebati Burman.
(3) Mr. M. A. Rasul.
(4) Mr. Bhowani Sen.

In reply to the Chairman, Mr. Mukherji said that the Sabha has 50,000 members in the 25 districts of Bengal. Recently an investigation was made in Kishoreganj subdivision to ascertain the proportion of raiyats, under-raiyats and bargadars who are members and it was found that the majority were raiyats and a smaller number were under-raiyats and bargadars. The percentage of well-to-do raiyats and of labourers is small. The tendency for the transfer of occupancy rights to non-agriculturists is increasing. He could not say what is the percentage of raiyats who are merely rent receivers but thought that an idea might be had by a comparison of the census figures of 1921 with those of 1931. He mentioned that in 24-Parganas land valued at 1 crore of rupees had been sold or mortgaged during the last eight years.

The village communities originally had the proprietary right in land. They have now practically disappeared. In the case of a commercial company like the Midnapore Zamindary Company which has purchased land from raiyats, he would say that it had acquired a proprietary right through an illegal Act. The Permanent Settlement took away from the village communities the rights of proprietorship and transferred them to the zamindars.

He explained that the Sabha's reply had described Bengal as being more backward in tenancy legislation than other provinces, having regard to Acts like the Punjab Land Alienation Act which is more progressive than any legislation in Bengal. That Act has certainly restricted the right of transfer and he advocated a similar restriction in Bengal. The grant of unrestricted right of transfer was a mistake. Transfer must be confined to agriculturists: otherwise land may pass into the hands of mahajans and other non-cultivators. There must be restriction until agricultural debt is wiped off. This is estimated to be more than 200 crores.

The Chairman enquired whether it would be possible to prevent subletting if the scheme advocated by the Sabha were to be adopted. Mr. Mukherji replied that the Sabha advocates the abolition of rent

and substitution of a tax. The tendency is now towards industrialization and there is no further chance of profitable subinfeudation. The Chairman suggested that as the average level of raiyati rent is low, there is a considerable margin between that and the economic rent and this leads to subinfeudation. Mr. Mukherji replied that he would be in favour of restricting subletting by providing that any raiyat who sublets will lose his occupancy right and the right would pass to the sub-lessee. He agreed that the land of Bengal is more fertile than that of other provinces. He was not however in a position to say whether the average rent of Bengal is lower than the average of Madras and other provinces. He agreed that the contribution to the State which would be levied under the Sabha's scheme should vary in accordance with the fertility of the land. Good land should pay a higher tax than unfertile land. Land in other provinces is less fertile than in Bengal and during the last 50 years tenants have had to leave for Mauritius and Java to work as coolies. The peasants of Orissa, Bihar and Central Provinces should have revolted 50 years ago. He agreed that the cultivators must have a sufficient area to maintain their families and sufficient security of tenure. He did not however agree with the conception of rent, i.e., that a cultivator should pay so much for the occupation of his land in the same way that under the capitalists' system a shopkeeper pays rent for his shop. He agreed however that land should contribute to the national assets and that there should be an equalisation of the burden of taxation. Income-tax is levied at 9 pies per rupee and in case of large incomes it does not exceed one-eighth of the assesee's income but in the case of agriculturists the rent amounts to 25 per cent. of his income. The limit for assessment of income-tax is Rs. 2,000 but in the case of the proposed agricultural tax, every one should pay something subject to a minimum. He agreed that cultivators should be given a full economic holding but thought that considering the total area under cultivation and the number of the agricultural population it would not be possible to provide economic holdings for everybody. There should therefore be a scheme of industrial development to provide for the surplus population.

In reply to Dr. Mukherji, he said that if holdings are so small and uneconomic that they are unable to pay anything, they might be exempted from tax, as exceptional cases. He would however legislate to prevent uneconomic holdings.

Continuing to the Chairman, he said it would be possible to raise land revenue of 6 crores annually by levying the proposed agricultural tax. This would relieve the peasants by about 50 per cent. of what they are now paying. He calculated 6 crores on the basis of the Commission's figure of 12 crores for the raiyati assets and 17 crores from the cess valuation figure.

As regards the resolution forming the preface to the Sabha's reply, he said that all the bodies mentioned in it had adopted the Sabha's memorandum with the exception of the Bengal Provincial Congress Committee. The resolution was to the effect that the zamindars should be expropriated without compensation. The Congress members only dissented from this. The Sabha's ground for recommending expropriation without compensation is that the zamindars have obtained so much profit out of their estates that they require nothing more. He agreed, however, that as a concession special consideration might be shown in cases of recent purchases of zamindaris at the full market value. Tenureholders should not be compensated in cash: their compensation would consist in receiving employment from the State. He thought that the middle classes would consider it a boon if, in place of their lands, they were given employment. The number of tenureholders depending exclusively on rent was estimated by the Sabha at 7 lakhs. The tenureholders depending partially on rent and partially on other sources of income might be 4 millions but this would also include cultivating tenureholders who would not be expropriated.

In reply to Dr. Mukherji, he said that the Sabha had not drawn up a detailed plan of industrial development or a plan for the employment of the middle class who would be expropriated. This could only be brought into operation after the Sabha's scheme has been adopted.

The Chairman referred to the figures given in the Sabha's reply and said that it would be useful if the Sabha could expand their reply in order to give a fuller picture of conditions in a typical village to show the extent to which cultivators have sold their occupancy rights and are now cultivating as bargadars: the amount of land in their possession, the number of their dependents, etc. Mr. Mukherji replied that the Sabha might undertake such an enquiry during the next two or three months. The Chairman enquired whether it is a practical proposition that landlords and tenureholders should be expropriated without compensation. Mr. Mukherji replied that once the principle of expropriation is accepted, the question becomes a social rather than an economic one. He thought that the Legislature would agree, provided there is at the same time a programme for rural reconstruction and industrial development. Certainly it would be a very big operation which would take some time to carry through. The suggestion, however, for compensating the landlords is less practical than that of the Sabha because a very large sum would be required for compensation. It would undoubtedly be squandered. He agreed that the estimated land revenue out of the Sabha's scheme would be 3 to 4 crores more than the existing land revenue and might not be sufficient to cover the scheme for industrial development. He would not oppose the imposition of further taxes, if necessary. The land revenue system has already broken down but 80 per cent. of the Cabinet are landlords who want to

revive the system. The recent tenancy legislation, he says, was conceived by the landlords themselves and introduced in order to give the landlords a longer lease of life. If the State became the sole landlord, he would be in favour of restricting transfer and subletting in the interest of the tenants generally. He thought this would be justified when the tenants would be free from the landlord's system. He agreed that there has been a general tendency in the tenancy legislation to transfer rights from the landlords to the tenants. If the system goes on, more and more rights will pass to the tenants until the landlords have been completely expropriated and no capital will be left to reconstruct the nation. He agreed also that too much importance has been attached in the tenancy legislation to the occupancy rights rather than to the land. He was in favour of giving proprietary rights to bargadars cultivating on the share system. He was not in favour of large scale farming carried out through hired labour.

In reply to Sir Frederic Sachse, he said that Table IX of the reply shows that the outturn in Bengal is one-third of that obtained in Japan, Italy and other countries. The low yield in Bengal is due to the poor system of cultivation and to the conditions under which the cultivators work; their undernourishment, bad health, the poor condition of their bullocks, etc. There is no proof that rice land has deteriorated in Bengal and that manuring is necessary though this is the general belief. The figures given by the Sabha show that the rice produced in Bengal is not sufficient for the consumption of the entire population. It is not correct that in a normal year most families take two meals a day. Most families have to live on one meal a day and in some places they have no rice for three or four months of the year. In Malda they live on mango during that period.

Sir F. A. Sachse asked whether instead of referring to a precipitate fall of prices since the depression, the correct description would not be that there was a precipitate rise of prices after the war and there has since been a fall. Mr. Mukherji replied that during the war, the prices of crops remained low whereas the prices of piece-goods were extremely high. There was even acute lack of cloth. From 1926 the price of piece-goods fell and that of agricultural produce rose. He agreed that the price of paddy and jute and piece-goods is much the same now as it was before the war. The high prices after the war raised the standard of living very considerably. This was specially the case in Eastern Bengal. Mosques, temples and houses of corrugated iron were built and bicyles and torch-lights were purchased to a phenomenal extent but the result was great investment in land and when prices dropped, the purchasers were hard hit. During the boom period, the middle classes used to complain that they could not often get vegetables and fish in the market.

He did not agree that the price of land would be as much as Rs. 200 an acre nowadays—though there may be exceptions. He would say that the average price to-day is Rs. 20 a bigha. 75 per cent. of the land in Bengal could be purchased at that price. The value of land in Bengal is rather more than 200 crores and the agricultural debt is about the same. It may be true that cultivators have profited by being able to spend as much as 200 crores but it has to be remembered that they have borrowed this money and have to pay a very high rate of interest. They could have repaid their debts during the boom period when the price of jute rose abnormally but there was a great demand for investment in land. People borrowed to buy land and when the prices fell they could not pay their debts. He agreed that they were speculators, but when they wanted to increase their holdings by few bighas and subsequently prices fell, their whole property became involved. The capitalist system dragged them into speculation and it would be wrong to make them responsible for the result. It may be true that a number of tenants sold their lands and made a large profit but at that time the number of landless labourers also increased from 17 to 20 lakhs.

He did not agree that a raiyat could be differentiated from a mill-owner on the ground that the latter has to purchase all his machinery whereas the raiyat can use his land as he likes and receives it from the State. If that were the position there is no reason why a clerk in an office should not pay rent for his chair, because he receives his service from the community.

In reply to the Chairman he agreed that the person who owns land which is one of the principal national assets should pay something for it.

Continuing to Sir F. Sachse he said that he was in favour of State marketing and of fixing a minimum price for rice. It would be necessary to import some rice from Rangoon for consumption. The State would have to make a small profit on this transaction in order to cover the cost of buying and selling.

Burmese rice could be obtained at a cheaper rate than Bengal rice. By buying Burmese rice at a fixed price there would be a profit which would cover the cost of buying the same. Even if there were a loss on the transaction Government would have to contribute the money.

He proposed Rs. 3 a maund as the minimum price for paddy. He was not aware that the Japanese Government had tried to control rice and had spent a large sum without any appreciable result. If that was so, there must have been something wrong with the scheme. [The Chairman mentioned that there is a scheme in England for guaranteeing a fixed price for wheat. This will cost the consumers £6 millions a year.]

The Sabha's case is that land originally belonged to the tillers of the soil and that it does not belong to them now, but ought to belong to them. Pasture land now belong to the village communities. The Calcutta maidan belongs to the Corporation. The land in the United Service Club belongs to the members. But that is only because it grows grass. If it grew something valuable, the question of property rights would arise. If there is a forest or pasture land between two villages, it should belong to the State and should be distributed between the village communities.

All transfers since the Permanent Settlement have been invalid and unjustifiable. If a man cannot cultivate his entire holding, he should surrender it to the village committee.

In reply to Dr. R. K. Mukherji he agreed that the level of rent in Bengal is the lowest in India. He also agreed that many holdings are uneconomic but did not agree that the land system cannot be held responsible for this. It has transferred rights in lands from one class of landlords to another until it has rested finally on a very poor middle class. Their holdings have become sub-divided through inheritance and their bargadars are settled on scattered plots. In this way fragmentation has developed. From the Permanent Settlement until the Tenancy Act of 1885 a number of landless labourers had cropped up. Since then the tendency to fragmentation has increased. Dr. R. K. Mukherji pointed out that in Madras where Government is the landlord holdings have similarly become uneconomic. Mr. Mukherji replied that the basic rent was fixed two centuries ago since when money has become cheaper. Consequently a margin of profit has developed which has not gone to the raiyats. That is the reason for so much subinfeudation and subdivision. If the Sabha's schemes were adopted economic holdings would have to be created by legislation. "Economic holdings" should be strictly defined. The laws of inheritance would not have to be changed but in a case where three children inherit the property, one of them should cultivate and compensate the other two. Khan Bahadur M. Hussain enquired how one brother could compensate the others unless he had surplus land. Mr. Mukherji replied that the laws of inheritance would have to be changed to that extent.

Cultivators remain idle for roughly six months in the year. This is an evil which springs from the present land revenue system. The margin of profit has led to a great investment in land at the expense of industry. It is a part of the social system that cultivators are partly unoccupied. He recommended that agricultural industries should be developed in the rural areas and that big industries should be developed in the cities. In Bombay the position is different because capital was invested in industry but in Bengal large profits were made from the jute industry and they were re-invested in lands instead of industry.

Over-population is one reason which prevents the development of handicrafts in villages. A tendency towards over-population appears whenever there is a margin of profit. Since the British period there has been prosperity in India in the sense that people have got cheaper manufactured goods.

The basis of the Sabha's view is that the zamindars are not legally entitled to compensation. Compensation should be given out of social consideration and as a concession only.

He thought that it would be possible to stop subletting by legislation. He considered that the employment of bargadars would amount to subletting. He considered a tenant to be the man who invests his capital and takes the risk of profit or loss in cultivation. The bargadar does not invest any capital but only takes a share of the crop. In reply to Khan Bahadur M. Hussain, he said that he would prefer to abolish the bargadar system but if a tenant gave land to a bargadar he would give the first choice to a tenant to cultivate the land, and if he refuses his right would go to the bargadar.

It would take some time to produce a detailed scheme for the development of handicrafts and industry. At present the Sabha has only a rough scheme.

In reply to Khan Bahadur M. Hussain, he said that the Sabha's scheme for the levy of an agricultural tax presupposes the existence of economic holdings. He agreed that 50 per cent. of the holdings are uneconomic. The tax would only be levied on those holdings which could pay: there would be a graded scale. There would be a minimum limit to the tax. The Sabha had not yet fully considered what this would be. He agreed that some tenants have invested capital in the land by purchasing holdings or paying salami for settlement: this is the existing system, but under their scheme agriculture would be a kind of State-controlled industry. The country might not agree to the reshuffling of land in order to effect economic holdings until the antagonism between them and the State disappears. Once they know that the State is their own, they would not object. In the case of brothers one of whom cultivates and supports the others, no compensation would be given in cash but employment would be provided for the non-cultivating brothers. People who leave their land and take employment elsewhere virtually give up their interest in the land. He would propose that their legal shares should be abolished. The cultivator is not concerned with his legal share in a holding but with his rights. People might not agree to the scheme of consolidation now because at present there is no surety of employment elsewhere and because the peasants are not educated up to the scheme. But the Sabha could within six months change the outlook of the peasants by propaganda.

He agreed that a bargadar who supplies seed, cattle and plough, finances agriculture, and thought that if the Sabha's scheme was explained to the middle classes they might agree to give rights to the bargadars. At present they would not do so.

The incidence of rent is high with reference to the income of the tenants. The Khas Mahal rents are higher than those in the permanently settled area. His enquiries among tenants in areas close to Khas Mahals revealed that the tenant would prefer not to come under the Khas Mahals. The Sabha's scheme of State landlordism would be better than Khas Mahal management because it would abolish the rental system. There would be a fixed minimum and a sliding scale of tax for everybody, including agriculturists and non-agriculturists. In addition to a fixed minimum there would be unemployment insurance. Tenants who cannot grow enough rice for their own subsistence would have to purchase it from the State. This they could do from the profits derived from the sale of jute. Khan Bahadur M. Hussain pointed out that only 7 per cent. of the cultivated area is under jute whereas 70 per cent. grows paddy. Mr. Mukherji replied that the problem must be regarded as a whole. If the Sabha's scheme could be put into operation the remaining requirements would follow as soon as the State fixed the price of rice. The State would be forced to feed the cultivator who could not produce enough for their own sustenance. Khan Bahadur M. Hussain objected that the cultivators would have to sell at a lower price and re-purchase at a higher price. Mr. Mukherji concurred but he did not agree that as many as 80 per cent. of the tenants have to purchase rice because they cannot grow sufficient for their own consumption. Ordinarily, cultivators have to incur debts for agricultural purposes and owing to the lack of adequate credit many of them have had to sell their land.

The zamindars have realized large sums by way of salami. If the total sum realized could be calculated it would provide a strong argument for paying no compensation to the landlords. Had there been no salami, land would not have passed so rapidly into the hands of non-agriculturists.

In reply to Khan Bahadur A. Momin, he said that the Sabha has asked all their district officers to obtain the views of cultivators on their proposals. The idea contained in their memorandum originated from the Sabha, it was then referred to the peasants and the changes made by them were incorporated in the reply. Khan Bahadur A. Momin asked whether the statement that the Punjab Land Alienation Act is more progressive means that the Sabha does not approve of the legislation in the Bengal Tenancy Act for alienation from 1885 onwards. Mr. Mukherji replied that they want to have it both ways, i.e., they want to give the right of transfer and at the same time to restrict it. Raiyats were not proprietors of the soil as individuals but as village

communities. He did not agree that the Sabha's proposal was to put all land into the melting pot, but said that the State would only take over those holdings which are uneconomic. He could not say whether cultivators generally would approve of this scheme. He would only take away the lands of non-agriculturists which might amount to 20 per cent. Of the remaining 80 per cent. one-half might consist of uneconomic holdings.

There are large areas of khas lands in the possession of landlords, tenureholders and mahajans. He would be in favour of taking away the khas lands and giving them to tenants in order to make the area of their holdings economic. He would not however take away the landlords' homesteads.

He could not say whether a bill to restrict transfers could pass through the legislature: the Sabha's scheme could not be carried out piecemeal and transfer would have to be considered as a part of the whole scheme. His scheme for cultivation by one member of the family amounts to something like the "preferred heir". He agreed that to introduce the system it would be necessary to change the existing mentality which demands equal division of property through inheritance. The agricultural industries which he would propose to develop are sugar, oil and husking of paddy by dhenki. When the price of paddy is fixed under the Sabha's scheme, exports and imports would be controlled. He agreed however that it would be better to stop imports.

In reply to Khan Bahadur Hashem Ali Khan, he said that the Permanent Settlement was an illegal transaction in the sense that the raiyats were not a party to it. The East India Company was looking into its own commercial interests and wanted to create, for political reasons, a class of landlords who would be subordinate to it. The landlords cannot demand any compensation as a right. The case is the same with non-agricultural tenureholders. The Permanent Settlement led to a system of subinfeudation below the zamindars and below the tenureholders but the actual reclamation of the land was carried out by the tenants, particularly in char and jungle lands. They had to pay rent for years without getting any yield.

He agreed that many estates have been purchased by foreigners and that half of the present zamindars are non-Bengalees, e.g., the Tagore family. He agreed that the 1938 Tenancy Amendment Act provides that usufructuary mortgages will be redeemed after a period of 15 years and that this provision of law is not illegal. Applying the same principle to the zamindars he agreed that after they have been in possession of their estates for 15 years they are not entitled to any compensation. When the Amended Act of 1938 was passed there was some objection from the upper class peasants and moneylenders but none from the zamindars. There might be a rule that 15 years' possession by zamindars and tenureholders would debar them from receiving

compensation. He agreed that in every village there are large areas of lands in the khas possession of talukdars and mahajans. Their lands could be given to the poor tenants in order to make the area of their holdings economic. Sir F. Sachse pointed out that these khas lands are already cultivated by bargadars and could not be given as suggested without infringing on the bargadars' rights.

Continuing to Khan Bahadur Hashem Ali Khan, Mr. Mukherji said he was in favour of prescribing a minimum area for holdings but he would not prescribe a maximum area. The maximum limit might prevent large scale farming. The Sabha agrees with the views of Professor Radha Kamal Mukherji as regards the size of an economic holding, viz., 8 acres. The condition of the peasantry is such that time has come for drastic measures of a revolutionary nature. The price of land is still falling and there are now no purchasers of zamindaries: even in revenue sales there are few bidders and not more than 2½ to 5 times the net profit is offered.

Under a national Government the peasantry would not grudge paying higher rents if they get a return in other ways. The price of jute will have to be fixed immediately. It is not certain that the price of rice would automatically rise along with the rise in the price of jute. He would therefore also fix the price of rice. The production of rice in Bengal is 25 lakhs of maunds below the amount required for consumption and therefore import is necessary. Even when one meal a day is taken there is this shortage and with two meals a day the shortage would be even greater.

Khan Bahadur A. Momin enquired why under these circumstances Bengal exports rice. Mr. Mukherji replied that the export, although small, should be stopped.

The practice of levying abwabs continues everywhere. Mr. Mukherji mentioned the case of an old cultivator in Howrah who had told him that he was always in arrears of rent and it was better to oblige the landlord by paying something extra in order to prevent a rent suit. Another case was mentioned of a cultivator in Kishoreganj who had enquired if there was any law to prevent the payment of abwabs and had asked for advice whether he should pay.

He thought that large scale industries have been developed mainly by Europeans. Some Marwaris have taken part in the industrial development but most of them are speculators. Some Bengalees also have taken to industry. Commercial concerns pay income-tax but the zamindars pay very little income-tax because they are assessed only on their non-agricultural lands.

In reply to a question put by the Chairman on behalf of the Maharajadhiraja Bahadur of Burdwan, he agreed that the question of

paying compensation to Waqf estates involves a social question which deserves consideration. In order to carry out the collective scheme of agriculture which the Sabha recommends, he would be prepared to alter the laws of inheritance.

Mr. B. K. Roy Chowdhury said that he was not prepared to ask any question until he understood the Sabha's point of view more fully.

In reply to the Secretary, he said that proprietary rights had not vested in the raiyats as individuals but in the village communities and these communities continued up till the time of the Permanent Settlement. He did not altogether agree that it would be necessary to revise the record-of-rights in order to carry out the Sabha's scheme of redistribution of land in the case of uneconomic holdings. He thought that the record is sufficiently up-to-date and that the work would be carried out by village committees. Any difficulties that arose would be settled by the village committees. These committees would be responsible for collecting agricultural tax. In case of non-payment, they would be empowered to distrain the crops. He did not agree that the tenants have derived any profit from the cheapening of money and from the fact that paddy is now worth four times its value at the Permanent Settlement. There has been more exactions from the raiyats.

The Chairman enquired whether there has been a tendency on the part of the Sabha's organization to encourage non-payment of rent. Mr. Mukherji replied that it is all a bogey. The Sabha, if its scheme is put into effect, would use all its influence to see that the State demand is punctually paid.

Reply by the Dacca District Muslim Federation.

Q. 1. The description is not exhaustive because apparently the intention was to ensure a permanent revenue payable to Government.

The Permanent Settlement took away some valuable rights of the tenants, e.g., for the default of zamindars their tenures are annulled. The zamindars have been empowered to assess the lands, tanks and fisheries, etc., which had hitherto been used free of rent by the tenants for their general good.

Q. 2. Yes.

Q. 3. Practically negligible. Yes.

The zamindars have played practically no part in the economic development of the country since the Permanent Settlement. They have signally failed to perform the functions expected of them. The reason is simply this that the zamindars made large profits and they naturally became luxurious and had no pecuniary necessity to undertake any enterprise whatsoever for the improvement of the cultivation and eventually the economic conditions of the country.

Q. 4. The zamindars were made the actual proprietors of the soil by the Permanent Settlement. Ere this they were not the actual proprietors of the soil.

Q. 5. The so-called pledge given by the East India Company was not actuated by any plausible consideration. Even if there was any consideration, it was not with the consent of the tenants who were only responsible for the cultivation of lands and it can naturally be expected that the tenants ought to derive benefits from the lands. The financial resources of the country have greatly suffered due to that pledge. Greater good to the greater number shall have to be achieved and that can only be done by improving the financial resources of the country.

Q. 6. It may be safely said that the zamindars have totally failed to encourage the extension of cultivation. The increase in area brought under cultivation since Permanent Settlement is due to—

(*i*) increase in population,

(*ii*) enterprise of tenants.

Q. 7. About 50 per cent. increase is due to the efforts of the tenants and 50 per cent. is due to the enhancement of rents by the zamindars.

Q. 8. No. The zamindars had been selfish. They did not accord justice and equity to their tenants. They have not helped the tenants at the time of their adversity nor have they encouraged the tenants by

extending their arm of help in bringing waste lands under cultivation. They have not instituted irrigation. They have never looked to the health and prosperity of their tenants. They have not cared to give them education. Instead of treating them with moderation, they have been often guilty of exacting abwab and illegal exactions. The cases are not few where the zamindars have illegally enhanced the rents. It may be mentioned in this connection that the zamindars have no justification to enhance rent in any case (unless they laid out money for improvement of cultivation) without proportionately increasing their revenue payable to the Government.

Q. 9. (*i*) Nil.

(*ii*) Yes.

(*iii*) If the zamindars had lived in the rural areas, the civic amenities of the areas would have been increased greatly. It would have improved the standard of living there.

Absenteeism is responsible to a great extent. The zamindars generally prefer to live in towns where there are avenues of comforts and therefrom they have no opportunities to appreciate the disadvantages in which the tenants have got to live. Their very presence near the tenants were expected to be an incentive to them. Obviously the zamindars were expected to be better cultured. Hence if the tenants were in close touch with them, they might be in a position to derive benefit therefrom.

Q. 10. This Dacca District Muslim Federation do not think that Permanent Settlement proved in the interest for the country—for the greatest good of the largest number. It has resulted in the advantage of the landlords at the expense of the provincial revenue.

Q. 11. (*i*) Yes.

(*ii*) Yes.

(*iii*) Yes.

(*iv*) Yes.

This criticism is justifiable to a great extent.

Q. 12. The abolition of Permanent Settlement is desirable on all the above grounds set forth in question 11.

Q. 13. Continuance of Permanent Settlement means a loss to the State. This can be removed by total abolition of zamindari system. But in the Dacca District Muslim Federation's opinion temporary settlement will not be helpful in removing the evil. The Dacca District Muslim Federation are not in favour of imposition of a tax on agricultural income.

Q. 14. No compensation ought to be given. The other parts of the question, therefore, do not arise. However, a period of not more than five years ought to be given to the zamindars to deliver possession to the State.

Q. 15. Does not arise.

Q. 16. Socialistic ideas in some form or other will develop.

Q. 17. In view of the previous answers, purchase by State cannot be presumed. Raiyats will have to come directly under the Government. Nothing *via media* would suit the purpose. It cannot be said that such a change will lead to a great advantage to the tenants unless necessary legislation is made safeguarding the interests of the raiyats.

Q. 18. A new machinery for collection of rent would have to be established. As to costs, it will not be prohibitive.

Q. 19. The khas mahal tenants at present cannot be said to enjoy any advantage over the tenants under the proprietors of permanently or temporarily settled estates. In short, the present conditions of the khas mahal tenants are not at all satisfactory and therefore naturally the tenants would not prefer to come under the Government, and pay rent to it direct unless proper legislation is made for the safety of their person and property. This District Muslim Federation are certain that they would prefer when the whole outlook is changed.

Q. 20. Yes. The raiyats have been led to the lowest strata of the society, practically to serfdom. They have been economically affected in the way that the intermediate tenureholders have with a motive of making profits left no stone unturned to enhance rents.

Q. 21. Same as in answer to question 16.

Q. 22. The homesteads and khas lands of the zamindars and tenureholders shall have to be left to them on their agreeing to pay annual rent as may be determined by proper machinery on the valuation of the land alone.

Q. 23. The occupancy right in some form or other, whatever the nomenclature might have been, was in existence before the British period.

Q. 24. Yes. The "Proprietor" connotes that he is the real owner and is entitled to deal with the property in the manner he desires and the property is heritable and transferable.

Q. 25. It will not be beneficial to confine occupancy right to the tenants actually cultivating the soil. In that case, a better class of tenants who are the backbone of the society would be crushed.

Q. 26. The question does not arise in view of the answers given to question 25.

Q. 27. It does not appear to be so. But occupancy rights ought to be given to non-agricultural tenants as well.

Q. 46. Yes, to a certain extent.

Q. 47. This Dacca District Muslim Federation do not think they expected it.

Q. 49. The rent of the tenants ought to be reduced by proper machinery after taking into consideration the size and quality of the land. It would not be possible to bring them down to the level prevailing at the time of Permanent Settlement as sufficient material is not available for determining the rate of rents and tenants.

Q. 50. No.

Q. 51. No. Does not arise.

Q. 56. No share of crops will be payable.

Q. 58. No. Yes.

Q. 60. Yes. Yes.

Q. 61. Yes.

Q. 63. No. Yes.

Q. 64. Yes.

Q. 66. Yes. Of both.

Q. 67. Certainly.

Q. 68. Yes.

Q. 71. Yes. Due to the fact that the local machinery is not sympathetic towards the tenants and there are not proper rules for carrying out this provision of law.

Q. 80. The suggestions will increase the income of raiyats.

Q. 82. Yes.

Q. 84. Yes. The establishment of Land Mortgage Banks, Rural Agricultural Banks, etc., may stop the annual drain.

Q. 90. Yes. The pay of the collecting staff under the zamindars is hopelessly low and these ill paid officers very often adopt dishonest means and exact abwab, etc., for their own subsistence and this Dacca District Muslim Federation think that these are responsible for the strained relationship between the zamindars and the tenants.

Reply by the Middle Class Peoples' Association, Mymensingh.

Q. 1. The description is not exhaustive. The duties and obligations of zamindars were not specifically defined except in the case of payment of revenue and its penalty in case of default.

But the zamindar's obligations to tenants were more in the nature of moral duty rather than legal.

The Permanent Settlement did not take away any rights of the tenants then existing. The rights of the tenants at the time of the promulgation of the Permanent Settlement regulation, were not definite. It appears from the said regulation and previous history that except the mokararidars and Istemrardars, there were no other permanent tenants with any fixity of rent. There were no doubt khudkasht raiyats who were not liable to ejectment so long as they paid rent, this was however a personal right. The other classes of tenants had no secure rights and were liable to ejectment after the expiry of the term of their engagement.

Thus no class of tenants had anything to lose by the Permanent Settlement.

Q. 2. Yes. The Permanent Settlement only recognised the common law right of the zamindars to choose their tenants and regulate the usage of the land to the economic interest of the province. (*Vide* section 52, Regulation VIII of 1793.)

Q. 3. Since the promulgation of the Permanent Settlement vast tracts of fallow and jungly lands have been brought under cultivation through the efforts of the zamindars. The enormous increase in the raiyatwari-asset from 3 to 12 crores of rupees is an index of the great economic development of the country. If we add to this the assets of the land held by proprietors and tenureholders amounting to 4 crores of rupees, the economic progress thus made certainly rebounds to the credit of the zamindars.

The zemindars were quite up to the expectation as to the performance of their functions as enjoined on them by the Permanent Settlement.

Q. 4. Zamindars are the proprietors of the soil from long before the Permanent Settlement, not only from Moghul period but even from the time of Hindu kings. In Bengal especially, the zamindars were almost independent chiefs, their duty to the king was only an allegiance with a payment of revenue. But to all practical purposes they exercised the proprietary right in all its aspects. The provision of

malikana in favour of proprietors whose lands were let out in farm or held khas by the Government, even on account of their not entering into engagement with the Government indicates that zamindars had pre-existing right of proprietorship which the then Government felt bound to recognise. This right to receive malikana still exists though 150 years have elapsed (*vide* Regulation VIII of 1793, section 44). The very word "Zamindar" means proprietor or the owner of the land. It has not been borrowed from any English word.

Q. 5. Certainly, the annulment of the Permanent Settlement Regulation would be a breach of a solemn pledge which assured that no Government present or future would ever augment the public assessment on the zamindars in consequence of the improvement of their respective estates. The fact that tenants were no parties, does not in any way minimise the sacred obligation of the Government to respect the solemn pledge, because the tenants had nothing to lose, but rather gained by being brought under a settled system of land revenue, which opened out a possibility for the stabilisation of their rights and status, and which indeed has been justified by subsequent legislations.

The financial resources of the country were not crippled. A secured tenantry, a strong middle class, and an affluent aristocracy emerged out as a result of the Permanent Settlement. This has directly benefited Bengal by raising the taxable capacity of her people.

Q. 6. All the three reasons suggested in the question have led to the extension of cultivation, but the initiative came from the zamindars. So the avowed object and expectations of the Permanent Settlement have been fulfilled.

Q. 7. The question has been partially answered in answer to Question No. 6. The increase of the assets is largely due to increase in cultivation, which again is mainly due to industry and good management of the zamindars. Enhancement of rent has played a little part.

Q. 8. The expectation has been fulfilled. The very fact that large number of big zamindaries, such as Pargana Hossen Shahi bearing a revenue of more than 45 thousand rupees and Pargana Patiladaha of Mymensingh were sold after the Permanent Settlement and similar other zamindaries were also sold at a nominal price shows their moderation even at the expense of losing their estates. The very fact that no other regulation or law was thought necessary till 1859 for the protection of the raiyats in pursuance of a promise held out by the Government in the Permanent Settlement Regulation, tends to show that zamindars acted with moderation. The materials available for the modification of law for the protection of the raiyats were meagre and in order to give certain stable right to the tenants in the matter of occupation and also for putting certain limitation on the landlords to

increase the rents of occupancy raiyats the Act X of 1859 was passed and after that successive legislations only improved their status.

Q. 9. Expressedly no duty other than extension of cultivation was imposed on them. And they thoroughly carried out the obligation imposed upon them. Moreover, they have spent large amount of money for public welfare, viz., hospitals, educational institutions, waterworks, public libraries, village tanks and wells, etc.

Q. 10. Yes; the greatest good of the largest number has been obtained by the Permanent Settlement and it has led to a stable revenue system with almost no expenditure and removed the frequent assessment and readjustment which was a hardship upon the people in general and the tenants particularly and this was also detrimental to the prosperity of the province and the Permanent Settlement has put a stop to this unnecessary waste of money for collection of public charges.

Q. 11. The grounds mentioned in the question are all unwarranted, viz., (1) a bigha of land yielding an income of Rs. 30 a year is assessed in the average at Re. 1-8 rent which is only appropriated by the zamindars.

(2) There has been subinfeudation but it has not been oppressive to anybody.

(3) There has been some enhancement of rent in the permanently-settled area but much less in comparison with enhancement in the temporarily-settled estates and khas mahals of the Government (*vide* statement 16 of the statistics appended to the questionnaire).

(4) The system of overlordship is neither a creation nor a peculiar incident to the Permanent Settlement as we have stated before; the cultivators from before the Moghul period did not pay their rent directly to the Government but there were intermediate interest from time immemorial previous to the Permanent Settlement. Thus the criticism is quite unjustified.

Q. 12. No. The abolition of the Permanent Settlement will be a disaster to Bengal. It will work out a complete ruin of about 1/5th of her population without any corresponding benefit to the remaining population.

Q. 13. We do not advocate any of the methods included in the question for the abolition of the Permanent Settlement. The argument that 75 per cent. of raiyati assets is lost to the State owing to this Permanent Settlement is not based on any sound reasoning. No doubt there is some difference between the existing raiyati assets and the revenue now payable by the zamindars but this is the fruit of the labour

and good management of the zamindars to which they are absolutely entitled on account of the solemn promise of the then Government at a time when Permanent Settlement was thought beneficial to the peace and prosperity of the country.

(*i*) The first method, namely, the abolition of the zamindari system involves an unjust encroachment upon private ownership of land which existed long before the Permanent Settlement and was only re-affirmed by the solemn promise of the Government in the Regulation I of 1793.

(*ii*) The second method, namely, the cancellation of the Permanent Settlement and substitution of the system of temporary settlement will bring back the same state of the country which existed before the Permanent Settlement. It will cause not only harassment to the zamindars but will also be of no benefit to the tenant who will be subjected to constant re-settlement of rent on each occasion of higher demand of the State. Thus it will impoverish the country as a whole.

(*iii*) It is only another way of abolishing the Permanent Settlement. Augmentation of public revenue should be sought otherwise.

Q. 14 and 15. No reply is necessary in view of our reply to question 13. If, however, any such expropriation is made at all, we suggest that the capitalised value of the existing rental should be the basis of compensation.

Q. 16. It would disturb the social equilibrium and arrest the distribution of wealth as capital will be severely shy. Investments will be stunned. All sense of confidence and security will be lost. People will refuse to have anything to do in a society where the basic security of law is exposed to the risk of everchanging freaks of legislative mania. It will destroy the whole social structure of Bengal. The zamindari system has been in vogue in this country from long before the Permanent Settlement from the Hindu period, and the whole social structure is based thereon. It will cause ruin to a large number of population and will render the question of unemployment more acute. The middle class people who form the backbone of the society, and take the leading part in all progressive movement, social, political and economic, will be extinct.

Q. 17. No. We oppose this on similar grounds as indicated in our answers to questions 13 and 16. It will lead to no advantage, on the other hand, it will cause immense loss to a large section of the people. The raiyat will have to pay rent under a much more stringent system. The extinction of tenures will thus lead to no benefit to them.

Q. 19. No. The condition of khas mahal tenants is in no way better than that of those under individual proprietors in settled estates. The rate of rent is higher and the realisation of rent is more rigorous.

Q. 20. Tenures and sikmi taluks existed from before the Permanent Settlement, and subinfeudation is not the creation of the Permanent Settlement. But the revenue assessed at the time of the Permanent Settlement being too high for the then assets of the estates, the zamindars, in the earlier part, were forced to create some new under-tenures to facilitate realisation and reclamation of waste land, and thus augment their assets. But this has not done any injury to the raiyat. The labour, capital, initiative and intelligence of the owners of these subordinate interests are responsible for the present prosperity of Bengal. They have helped the zamindars, the tenants and the country as a whole. The social position of a raiyat is not in any way prejudicially affected by the creation of intermediate tenures. Pure zamindars are very few. Big zamindars, Maharajas, Rajas, etc., have themselves many tenures. There is no difference in the status of a raiyat under the zamindari or under a tenure, the rate of rent is also the same.

Q. 21. The effect of State-purchase of the tenures and the zamindaris will be equally ruinous to the respective proprietors and to the country in general (*vide* our reply to questions 13 and 16 above).

Q. 22. They should be kept rent-free. Homestead lands can easily be ascertained. Khas lands are those which are not leased out to tenants on money rent.

Q. 23. The occupancy right of the raiyats is a creation of the British legislation. The zamindar or the tenureholders had the right to choose the tenants. In reclaiming waste lands, it happened every now and often, that tenants found to be incapable of the arduous task were replaced by the worthier ones. In arable lands the tenants' right of occupancy was also unknown except the personal right of khudkasht raiyats.

Q. 24. No. *Vide* answer to question 4. From time immemorial when private ownership and individual rights were recognised the zamindars had always been the actual proprietors of land. The Permanent Settlement only recognised that right.

Q. 25. No further extension of the present limit is desirable. It should be left to the free will of the contracting parties, viz., the landlords and tenants.

Q. 26. In no case we support extension of occupancy right to the test of mere actual cultivation.

Q. 27. Yes. The wordings of regulations confirm the above view. Up to Act X of 1859 no such class distinction ever arose in the minds of the legislators. The wordings of section 6 of Act X of 1859 clearly prove the above view. So non-agricultural tenants should be allowed to enjoy the occupancy right which they have been enjoying all along.

Q. 29. There is no reliable statistics to prove either increase or decrease of bargadars. Pure bargadars are scarcely found here. The barga is taken by raiyats and under-raiyats from proprietors as well as from other raiyats. There are many instances where proprietors settled in raiyati right on money rent, their khas lands previously cultivated through bargadars.

If there is an increase in the number of bargadars it may be due to various causes—

(*i*) increase of cultivable lands;

(*ii*) total destruction of rural credit owing to Bengal Agricultural Debtors Act for which, in case of necessity, tenants being unable to borrow, are compelled, to sell their lands;

(*iii*) due to abnormal fall in the price of agricultural produce, specially jute, many people who carried on cultivation through servants and hired labourers have been compelled to let out their lands in barga system thus giving some sort of relief and employment to agricultural labour; and

(*iv*) acute economic depression.

Q. 30. No. (*i*) and (*ii*) are quite incorrect. There being no reliable statistics, this question cannot be answered on mere guess.

Q. 31. There is no fixed area of barga cultivation. It depends upon the capacity of the cultivator and the lands available for barga cultivation.

Yes. Majority of bargadars have other raiyati and under-raiyati interests. People generally do not engage as bargadars persons who have no lands of their own for difficulties of realisation in cases of non-payment.

Q. 32-34. No. If any stable right is given to bargadars non-agriculturists will take to agriculure, thus making the question of agricultural unemployment acuter.

There will be no serious attempt by the joint efforts of landlord and the bargadars to reclaim the waste lands.

Serious disputes will accrue between the two parties.

People will rather keep their land fallow than lose it by engaging bargadars.

When the cadastral survey proceedings of the district of Mymensingh took place in 1915, a large number of bargadars were recorded as occupancy raiyats. But these bargadars could not get any saleable

price for their right; and bargadars generally did not insist upon that right, for the reason, that such conduct could deprive them of the credit of their extending barga cultivation.

The barga system is a sort of partnership for the mutual benefit of the employer and the employee. This mutual benefit is sufficient impetus for retaining that relationship. There is no instance of any oppression on bargadars and so no legislation is necessary for their protection.

The bargadars are agricultural labourers. The common experience is that the honest and laborious bargadar who produce more and thus give higher profit to his employer is sought out. So the best protection for a bargadar is to train him in more profitable cultivation and to raise the price of his agricultural produce.

There is not a single complaint in our experience that the employer extorted greater share of the produce than voluntarily agreed upon by the bargadar.

Any attempt at legislation for betterment of their rights will only lead to the discontinuation of the system, thus causing ruin to many poor agriculturists who earn much as bargadars.

Q. 35. The proportion of share depends upon the cost of cultivation in different kinds of produce. This should be left to the parties themselves. Any attempt at legislation to fix the proportion will lead to great hardship on one party or the other.

Q. 36. In Mymensingh the wages of daily agricultural labourers varies from 3 as. to 5 as. per diem. Their economic position is worse than that of the bargadars and under-raiyats. The bargadars retain certain amount of profit in addition to the cost of cultivation and their wages are calculated at that rate. That this is so apparent from the fact that there is a great demand for lands for barga cultivation. The daily wage-earners always prefer to be bargadars, if they can anyhow procure two bullocks and a plough.

Q. 37. No. *Vide* also our reply to question 30.

There is no reliable statistics allowing extension of barga cultivation on account of the causes enumerated in this question. Extension of barga cultivation, unless at the expense of raiyats, is not in any way prejudicial to the raiyats.

We are not in favour of restricting transfers to agriculturists only. Nor is it practicable. It will lead to the disastrous result of the loss of agricultural rural credit, and will hamper progressive cultivation, and will also cause a fall in the price of land. This condition is wholly unsuitable to a progressive state of society.

The Bengal Tenancy Amendment Act of 1938 is no doubt prejudicial to both the landlords and the tenants. We objected to it but the political agitators dubbing themselves as "Projabandhus" were eager for its introduction. The restriction proposed in this question will not solve the question. Facilities for agricultural loan at a low rate of interest payable in long instalment, measures to raise the price of agricultural produce especially jute, sugar, cotton, etc., low railway freight for transport of agricultural produce in areas where demand is great, re-establishment of rural credit and such other measures will solve the problem by way of ameliorating their condition. And they will thus remove the necessity for frequent transfers.

Q. 38. Five acres.

Q. 39. Yes.

Q. 40. Yes. Consolidation is urgently necessary. This can be done only by suitable legislation. But this consolidation of holdings will be of no avail unless scientific cultivation with the help of improved machines is introduced.

Q. 41. Yes. But the superior landlords' rights should not be prejudiced.

Q. 42. No. Improved agriculture on scientific basis is possible only in large areas. And this is needed in an agricultural country to increase production. This cannot be done unless large areas come to one hand or at least to one management. The continuation of the primitive state of things of leaving cultivation to ignorant, illiterate and improvident rustics is against the larger interest of the country. For these reasons, stated above, we do not advocate any legislation preventing acquisition of raiyati holdings by one man and its accumulation in one hand.

Q. 43. Yes. But this cannot be avoided without interfering with the law of inheritance.

Q. 44. Serious question to solve without changing the personal law.

Q. 45. No such legislation is desirable.

Q. 46. Yes, the wordings of the Regulation I of 1793 show that the only restriction to enhancement of rent was in the case of istemrardars and mokararidars, and the absence of any such restriction in the case of other kinds of tenants shows that good management did not exclude the idea of enhancement of rent. But it was intended that it should be moderate. There were provisions for restrictions on the imposition of abwabs and other illegal cesses and the landlords and the tenants were also asked to enter into definite engagement with regard to rent by execution of patta and kabuliyat.

But the Regulation VIII of 1793 prohibited the cancellation of patta of khudkasht raiyats only. But in the case of other tenants it would be only on terms of definite engagements during the continuation of the particular tenancy. So it was contemplated that the rents of the raiyats would not be fixed in perpetuity.

Q. 47. No. The very wordings of the Regulation I of 1793 clearly point out that the zamindars were at liberty to let out the lands excepting the lands of istemrardars and mokararidars, etc., in whatever manner they thought proper. The only restriction was that the engagement should be specific as to the amount and conditions during the term of engagement.

Q. 48. In view of our reply to question 47 no reply to this question is necessary.

Q. 49. There is no case for reducing the rents of the tenants, either in future, or retrospectively, to the level prevailing at the time of the Permanent Settlement even supposing that it was the intention of the framers of the Permanent Settlement that the rents of the tenants then existing should never be increased. It is not practicable at all. There is no sufficient date for determining what the rates were, and who were the tenants, and what lands they had at the time of the Permanent Settlement. There have been so many amalgamations, divisions and transfers, of which no authentic record has ever been kept, that it is simply impossible to establish any identity of the tenancy existing from the time of the Permanent Settlement with the present tenancies.

We are not aware of any specific grievance which the tenants can have as to the rate of rent in any particular area. If there is any, it can be removed by an appropriate proceeding as provided by the existing law. If on enquiry it is found that the rate of rental in any particular area or tenancy is excessively high and quite disproportionate to the actual produce of the land, judicial remedy may be provided for.

Q. 50. No reply is necessary in view of our previous answers.

Q. 51. No. Pargana rate is not at all traceable.

Q. 52. Fair and equitable rent should be adjusted with reference to the productivity of soil and different rates of rent existing in different areas of the country. The rate of rent as it stands in the country is, more or less, based on custom, though some element of competitive assessment is traceable at present. The acceptance of the principle of market value, or a share of the produce, will simply ruin the tenants as they are. The first principle wants to appropriate the entire unearned increment as rent leaving only a portion of the unearned increment to the tenant, whose due is considered in the

principle, only to be the bare cost of production including, of course, his profits. On the other hand, the principle is based on the marginal productivity theory of land which is quite unsuitable to this country. The tenants have been made to enjoy by successive tenancy legislations, the major portion of unearned increment as incidents to their rights in land. Their rights should, by no means, be curtailed relying on such impractical and unsuitable economic theories.

Q. 53. None of the principles suggested in question 52 is followed in assessing rents. In Government estates a good amount of competition plays its part. But in the permanently-settled estates proprietors rely mostly on custom and consideration of the productivity of land in assessing rents. The rents are adjusted according to rate or nirikh based on measurement, they are not lump rentals.

Q. 54. No.

Q. 55. Even in the case assumed we would recommend that rate of rent should be assessed on the basis of the existing rates taking also into consideration the productivity of land.

No uniformity is possible as lands differ in quality. So no new record-of-rights is necessary though corrections may be necessary.

Q. 56. No. We do not accept the principle of rent being based on a share of produce.

Q. 57. Rents can never be fixed in perpetuity. It will not be beneficial to the tenants also when the price of agricultural produce goes down to a very low level. Rents should be made alterable only according to the money value of the produce and other conditions as are provided in the Bengal Tenancy Act.

Q. 58. It is very doubtful if income-tax will be advantageous. The obligation to pay rent being a general and legal incident to the possession of land has to be paid even by the poorest cultivator. If instead, income-tax with a provision for exempting certain minimum income is introduced it will reduce the finances of the Government into a state of flux and uncertainty. And a large number of cultivators escaping payment will make almost the largest portion of land in the country free from any kind of revenue liability. And this proportion will always increase owing to increasing divisions and subdivisions of tenancies.

Q. 59. Greater facilities should be afforded to tenants for reducing their rents for valid reasons. In the present Act there is no provision for tenants to reduce their rents below the prevailing rate of rent. These defects should be removed.

According to the existing provision for enhancing rents on the basis of prevailing rate the present Bengal Tenancy Act is very defective.

The procedure of delegating the duty of finding out the prevailing rate to a Revenue Officer is not only costly but also unsatisfactory.

Q. 60. We do not object to enhancement on the ground of fluvial action. Landlords and tenants both have rights and interests in land. If tenants desire benefit by such an act of God landlords also should get a corresponding benefit.

Q. 61. We do not.

Q. 62. Enhancement should not be refused on this ground. It is impracticable to follow this principle which involves a costly and cumbrous procedure for ascertaining the necessary facts. Further it may make the provision for enhancing rent on the ground of rise in prices almost nugatory.

Q. 63. We do not object on principle to this ground of enhancement.

Salami is never paid as advance rent. Salami more or less is paid by way of consideration to landlord for the loss of greater profit which the landlord would have enjoyed if the land was not let out. The payment of salami never carried with it the obligation not to enhance rent unless contracted otherwise. If raiyat's improvement is proved, some allowance should be provided for him.

Q. 64. There should be some provision for reducing high contractual rent. But a definite standard should be set on the basis of productivity of land. This principle should also be followed in khas-mahal areas where enhancements are made without any regard to any principle whatsoever to the great detriment of the tenants.

Q. 71. Yes.

Q. 72.

	Cost per acre.	Yield per acre.
	Rs.	
Jute	... 30	... 15 maunds at Rs. 5—Rs. 75.
Paddy	... 10	... 20 maunds at Rs. 2—Rs. 40.
Sugarcane	... 75	... 600 maunds at As. 4—Rs. 150.

Q. 73. Productivity is decreasing owing to the operation of natural law. The reason is, there is neither manuring nor scientific dealing with land.

Government have taken, practically, no steps for improvement of the fertility of the soil.

Q. 74. The Acts referred to are almost dead letters in our country.

Poverty of the people is the main reason why they do not take advantage of these laws. The ameliorative measures provided in the Acts, mentioned in the question, are more or less, duties of any enlightened Government.

Q. 76. Yes, the Government realises salami in khas mahal lands. It is not utilized in improving the condition of agricultural lands.

Q. 77. Land system is, by no means, responsible. Government policy of apathy towards any improvement scheme such as organisation of rural credit, provision of cottage industries, want of industrial policy, lack of provision for adequate and scientific agricultural training, etc., are indirectly responsible for the uneconomic condition of the raiyats.

But the most important reason is over-population and fall in the price of agricultural produce.

Q. 80. We support all the measures suggested in the question. In addition to this a minimum price for jute should be fixed. Railway freights on agricultural crops and manures should be reduced to a very great extent.

Q. 81. Certainly there is a great pressure of population of land with a resultant poverty. It is very difficult to find out the surplus population.

Q. 82. Yes.

Q. 83. Government should start State banks by floating State-guaranteed debentures and by encouraging deposits with Government guarantee for the security of the money. This is all the more necessary as people have lost all faith in agricultural credit.

No organisation exists—Government or private.

Q. 84. It is absolutely exaggerated. Even before the economic depression this figure could not have been justified and since after the depression, mahajan's share of interest has been almost nil. On the other hand, although mahajans are willing to be satisfied merely with principal, they are not getting even that.

Q. 85. Co-operative credit societies have totally failed in tackling the credit problem of agriculturists.

The rate of interest is not, at all, too high.

They sought to benefit the agriculturists who got large and disproportionate advances from the societies but this benefit was not appreciated by them, and the agriculturists failed to maintain the spirit of co-operation which is quite unsuitable to the condition of our people in

their present state of culture. The spirit of non-payment is strong in the case of our agriculturists unless there is similarly strong penal measures to enforce payments.

Q. 86. The Debt Settlement Boards have totally failed to deal with the problem. It has altogether uprooted the very foundation of rural credit. Most objectionable and bad as the law is, its working has been still the worse, in the hands of dishonest, uneducated and unscrupulous people. It might be of some good, had it been worked through a judicial machinery, with the aid of lawyers.

Defects are so many that it will not be possible to enumerate them within a small compass. If this law be repealed and suitable and healthy provisions are made in the Bengal Money Lenders Act, and the entire working is done through the judiciary, the purpose of the Act may be served to some extent. But permanent relief to the agriculturist is not possible through these tinkering methods of piecemeal legislations. Permanent and substantial relief can only be possible by improving their financial condition and, by advancing loans from the State at low rate of interest, to pay up the mahajans, as was done in the Bhawanagar State. By this method rural credit will resuscitate, confidence will be restored, mahajans getting money, will open up further avenues of employment to agriculturists.

Q. 87. Yes.

Q. 88. Their work is very meagre. Deposits should be attracted by Government guarantees.

Q. 89. The present machinery for realising rents is too costly and cumbrous. It is detrimental both to the interests of the landlords and tenants. Tenants have to bear huge costs which landlords incur. If anything has pre-eminently advanced the economic ruin of the tenants it is the cost of the rent suits. *Ad valorem* court fees should be dispensed with. Process fees should be on the lines of revenue courts and processes should be served through revenue courts. In *ex parte* rent suits no proof of claim should be necessary.

Writ of delivery of possession or its certified copy should be considered as conclusive evidence of possession in a case of criminal trespass and mischief between a landlord and tenant.

Q. 92. Revenue Sale Law and Patni Regulations of 1819. Revenue Sale Law should be so amended that a period of grace should be provided for between sale and confirmation of sale during which period proprietors will be entitled to set aside sale by depositing dues.

Procedure for enforcing summarily rent dues in the Patni Regulations may be dispensed with, if landlords are exempted from *ad valorem* court fees.

The Cess Act and the Education Cess Act are causing serious hardship to landlords who have to pay in advance cesses whether they can realise them from their tenants or not. And in coparcenary estates and tenures joint liability is ruinous. Liabilities should be made personal and tenants' dues should be separately realised through union boards.

Q. 93. The effect of the 1938 Tenancy Amendment Act is a very serious loss to the landlords without any corresponding gain to the tenants. Tenants sell their lands in time of distress. They cannot dictate price. So they will not get any benefit of the abolition of landlord's transfer fee. The burden upon the landlord for the payment of the road, public works and education cesses, kist by kist, whether they can realise the tenant's share of the cesses or not, has become unbearable. Impediments to realisation of these cesses and even of rent has been put by the Bengal Agricultural Debtors Act, without any corresponding provision for the relief of landlords. The landlords' transfer fee was mitigating the burden to a certain extent. The right of pre-emption which was a substitute for the landlord's right of refusing recognition to undesirable tenants in the case of transfers of occupancy holdings is a serious encroachment upon their proprietary rights in the matter of choice of tenants.

Even in these days of economic distress when transfers were few owing to paucity of purchasers and the price of land fell down to a great extent, the landlords were getting about Rs. 40 lakhs a year. It had the prospect of immense increase at least to 4 times of this figure.

Reply by the Peoples' Association, Dacca.

Q. 5. The Permanent Settlement shall not be annulled. It is not only a solemn pledge given by the then Government to the zamindars but its long continuance has induced the middle-class intelligentsia to invest their savings in land and annulment of the Permanent Settlement will ruin the middle-class. It cannot be said that the tenants were no parties to the Permanent Settlement because their interests were fully protected by Regulation I of 1793 as the Government reserved to itself the right to legislation for their benefit. Legislation is not contract that all parties affected shall give their consent.

Q. 12. No.

Q. 13. No.

Q. 16. The State purchase of zamindaris will make landless a class of people who contribute to the economic development of the country and impair the social structure of Bengal by disruption of the joint family system. It will evolve a new social order inconsistent with the existing form of Government and shake to its foundation the existing constitutional form of Government. The proletariat will rule and the intelligentsia will obey.

Q. 19. No.

Q. 32. The right of occupancy shall not be extended to bargadars. The status of bargadar is not uniform in Bengal. Their rights are governed by contract or custom and usage. They enjoy protection when they pay regularly the share of the produce.

Q. 66. Yes, it was due to the fault of the Settlement Courts.

Q. 86. Debt Settlement Boards cannot be considered to have been able to deal with the problem of agricultural debts and in fact they cannot do it without State-aid to liquidate the debts. The law is full of defects. The Bengal Agricultural Debtors Act should be repealed and Civil Courts may exercise some of the powers by suitable amendments of relevant Acts.

Q. 89. Yes, landlords shall have power for restraint of crops for non-payment of rents.

Reply by the Rajshahi Muhammadan Association.

Q. 1. The description is not exhaustive. Yes, the Permanent Settlement took away the existing rights of the tenants and they were placed entirely at the mercy of the zamindars.

Q. 2. Permanent Settlement did not convey any such power but the landlords actually exercised the powers of choosing their tenants by harassing them in many ways and regulated the usage of the land according to their sweet will.

Q. 3. Landlords have practically played no part in the economic development of the country since the Permanent Settlement. Landlords have failed to perform the functions expected of them at the Permanent Settlement. With a few exceptions they are self-seekers.

Q. 4. Yes.

Q. 5. Whether the annulment of the Permanent Settlement would be a breach of solemn pledge given by the East India Company to the zamindars would depend on under what circumstances that pledge was given. Bengal is an agricultural country and the actual cultivators of the soil were the actual proprietors of the same in as much as they were and still are the producers of its wealth. The revenue or money paid by them to the Crown or Government through the zamindars was a small fraction of that wealth and it was paid for maintenance of law and order. But the East India Company who were mere traders in the beginning, on the analogy of the English land system, wrongly assumed that the zamindars were the actual proprietors of soil and on that assumption granted them Permanent Settlement. So the annulment of the Permanent Settlement would not be a breach of pledge by the East India Company to the zamindars however solemn that pledge might have been as it was based on a wrong assumption not borne out by fact. Consequently, as by the permanent Regulation the proprietorship of the soil was transferred from the cultivating raiyats to the zamindars and as the raiyats were not parties to the pledge, the Regulation is not valid and maintainable and is voidable at the option of the tenants. Moreover, the Regulation is nothing but a circular and it can be modified or annulled according to the changed circumstances of the country.

The Regulation has crippled the financial resources of the country inasmuch as it has transferred the vast portion of the wealth produced by them to the zamindars who form an insignificant portion of the total population of the country.

Q. 6. (*i*) Yes.

(*ii*) Yes.

(*iii*) No.

Q. 7. (*i*) No.

(*ii*) Yes.

(*iii*) Yes.

Q. 10. It has led to a revenue system which has resulted in the advantage of the landlords at the expense of the tenants.

Q. 11. The criticisms are all just.

Q. 12. Yes, on all the above grounds.

Q. 13. Yes, we advocate the total abolition of the zamindari system inasmuch as by this the State will get sufficient money for nation-building purposes especially improvement of agriculture and if this is done, the unemployment question will be solved to a great deal.

Q. 14. Compensation at ten times the net profit and this compensation should amount to a debt due by the State to the zamindars and would be paid in 20 equal instalments without interest. The money-lenders are suffering a good deal by the establishment of Debt Settlement Boards and why not the zamindars should suffer a little for the good of the country?

Q. 52. The principle of determining fair and equitable rent would be the value of a definite share of the crops.

Q. 54. Yes.

Bar Associations.

Reply by the Barisal Bar Association.

Q. 1. The description is substantially correct though it cannot be said to be exhaustive. There is nothing to show that the tenants who existed from before the Permanent Settlement had any right to enjoy their lands for ever or at fixed rents without liability for ejectment or enhancement. Whatever rights they had, could not be and were not taken away by the Permanent Settlement. The words "generous treatment" in the question seem to be vague. The words of Regulation I of 1793 are "conduct themselves with good faith and moderation" which predicate legal and humane duties also.

Q. 2. Yes, they acquired such power by the Permanent Settlement. Even before the Permanent Settlement they used to let out lands and that right was recognised by Regulations 5 and 18 of 1812 which empowered them to let out even in perpetuity.

Q. 3. They have largely contributed to economic development by reclaiming and otherwise improving the lands and have not failed in performing their function. It appears from many quinquennial papers that the revenue assessed at the Decennial Settlement was not less than nine-tenths of the gross collection and in some cases nearly the whole of the collection. Whatever improvement the zamindars could make the Government would take the major portion of the profits. Hence there was necessity for frequent investigations and the zamindars were not willing to make large improvements. To do away with this state of things there was the Permanent Settlement. After the Permanent Settlement the zamindars had to borrow money for paying revenue and for reclamation and development of land, often by allowing tenants rent-free and progressive periods and giving advances for reclamation and meeting necessary embankment and irrigation costs. This accounts for the fact that many zamindaris passed out of the hands of the family of the permanent settlement holders within 30 years of the Permanent Settlement. For raising money and facilitating development they required help of others. The Government came to know of it and empowered them to sell and let out (Regulation 8 of 1793) and subsequently very expressly declared their power to let out permanently (Regulations 5 and 18 of 1812). So the zamindars and their tenureholders played their part well and the present improved state of things is due to their efforts. There has been no failure on their part to do their duties.

And further in view of the promise of the Ruling Power the zamindar is to enjoy the fruits exclusively. In case of lack to develop his estate he will get less profit. So the question seems to be irrelevant now.

Q. 4. They were actual proprietors before the Permanent Settlement and all controversies regarding their previous status were set at rest by the Permanent Settlement which recognised and declared them to be actual proprietors. It cannot be said that they were mere collectors of rent. They had proprietary right but the revenue payable was variable (*vide* Regulation VIII of 1793) which was made permanent by Regulation I of 1793. The zamindars granted istemrari leases and could sell their zamindaris. In case of default of payment of revenue their estate would be let out in farm and after term of the farming settlement the zamindar would get back the estate. If he had been a collector Government could easily brush him aside.

Q. 5. The Permanent Settlement was not only a pledge by the then Government but was a grant of proprietary right for proper consideration by the State which was vested with power of making such grant. There are no legal grounds for revoking this grant in absence of any breach of contract on the part of the grantees. It is not necessary that tenants should be a party to such grant. It was subject to whatever rights the tenants had in the lands. Those rights were not and could not be taken away (*vide* answer to question 1). The number of tenants at the time of the Permanent Settlement was very limited and lands included in the Permanent Settlement were mostly unreclaimed and unsettled. The tenants found at present were mostly settled by the zamindars after the Permanent Settlement. As regards its crippling effect on future financial resources we should not lose sight of the fact that after long deliberations it was found absolutely necessary to resort to this measure to get rid of the frequent investigation for revision of land revenue (*vide* question 1), and to ensure its regular and prompt realisation for carrying on the administration. The Permanent Settlement allowed a very small percentage of profit to the zamindars for which most of them were unable to protect their estates from sales under strict provisions of the sunset law.

Even long after the Permanent Settlement large Sundarban tracts have been settled temporarily at concession rates (99 years grant) and also on receipt of large premiums from the highest bidders (40 years grant) for the purpose of reclamation and improvement of waste lands. These measures were adopted for necessities of the State at the time. Can they be now annulled or modified on the ground that the measures had the effect of crippling the financial resources of the State? The State being the absolute owner of all unsettled lands has power to create grants on any terms considered necessary for the time being. Such grants are legal and cannot be set aside except on breach of any express condition reserved in the grants. On the faith of such grants not only large amounts have been spent by the original grantees and

their successors even by borrowing but there have been long series of successive transfers and sales for valuable consideration.

Regulation I of 1793 makes the pledge or promise irrevocable, even the future Government shall not alter the jama. Depending on this promise many zamindars took settlement at an exorbitant revenue and relying on this promise spent lots of money in reclaiming and improving the estate and depending on this promise many persons have taken permanent leases on payment of large amount of salami and many zamindaris have been purchased for large amounts. People have large sums due on mortgage of zamindaris. The head tenure-holder has again sub-let permanently on receipt of salami and so forth. The annulment of the Permanent Settlement will not only be a breach of faith or pledge but will mean the ruin of many persons and families throughout the province. This promise taken with subsequent facts and change of position brings the matter within the realm of estoppel. After the transfer of sovereignty from the East India Company to the British Government there is a solemn declaration of Queen Victoria and King Edward VII for respecting and maintaining the rights of the people in lands. The present Government is bound by the pledge and cannot avoid it after nearly a century and a half. The tenants were not at all necessary parties. The revenue of the mahal is to be assessed. The parties would be owner of the mahal and Government and there would be an agreement between these two only as regards revenue. The tenants were to pay to the zamindars and the zamindars were to pay to the Government. So the tenants were absolutely uninterested in the settlement of revenue to be paid by zamindars to the ruling power.

As regards crippling of revenue it should be considered what was the time when this measure was taken and what was its effect then. At that time it was very necessary to make the Permanent Settlement and the revenue thus obtained enabled sufficiently the sovereign authority to carry on the Government. This revenue has up to this time proved sufficient for carrying on the Government. It was a wise project resorted to by the Governor-General and the Directorate who governed in trust for the Crown at that time and cannot be avoided now by the present Government on any plea whatsoever and the pleas are without any foundation at all. Is the Government prepared to compensate persons who have advanced money amounting to many crores depending on the pledge?

The Permanent Settlement was really a solemn pledge, given to the zamindars, which encouraged them to invest money upon it and when occasion arose the lands so settled to the zamindars came to be purchased at a very high price. In fact about 70 per cent. of the existing proprietors are purchasers from the original settlement-holders and

only 30 per cent. or less are the heirs and decendants of the original holders. It was the permanent right to enjoy the lands at the fixed rate of revenue that encouraged the purchasers to invest their money in the purchase of their zamindaris. If they had occasion to doubt that their right was permanent or that their revenue was liable to increase they would have hesitated in investing their money on it. They might have started business concerns like Jahar Lal Panna Lal, the Whiteaway Laidlaw, the Army & Navy Stores or the Tata Iron Works and the like. Now there is no greater justification in thinking of abolishing the Permanent Settlement than in thinking of confiscating the major portion of the income of the Marwari firms in Calcutta and other concerns referred to above.

Q. 6. It is difficult to give figures in absence of accurate *statistics* but there is no doubt that the zamindars' initiatives and assistance are largely responsible for the increase. This question seems to be rather irrelevant. There was Permanent Settlement at a jama which was not less than the 90 per cent. of the collection. If the zamindar neglected to bring land under cultivation and reclaim waste lands he would be a loser. No other person would suffer by the zamindar's neglect. So whatever might have been the conduct of the zamindars in this respect the Government revenue would not suffer and has not suffered up to the present day. And it was not a condition that unless so much land was cultivated the Permanent Settlement would be annulled. So whatever the zamindars might have done could not and cannot affect the Permanent Settlement. How and by what process the lands under cultivation were brought under cultivation cannot be told now. The causes mentioned are by no means exhaustive. There are other causes.

Q. 7. It is difficult to give figures but the increase is largely due to the efforts of zamindars. Tenants have been materially helped by zamindars in reclamation of waste lands. Cess valuation cannot be accepted as correct. The waste lands were reclaimed by the zamindars and settled with the tenants by them. This also contributed to the increase of rent roll.

Q. 8. They have not failed in being moderate, equitable and generous towards the tenants. The zamindars' conduct with the tenants was very cordial before, the tenants were treated with kindness and moderation. The zamindars allowed the tenants to keep even many years' rent unpaid. They did not care for limitation and the tenants also looked upon the landlord as "Ma-Bap."

Q. 9. This cry is of recent origin, not heard of in the last century. Formerly most cordial relations existed between zamindars and their tenants. The zemindars used to bestow personal attention to all important affairs of management. But when in course of time a single

zamindari or estate devolved on a number of heirs the number of proprietors increased and difficulties began to arise in management resulting in appointment of Managers and Superintendents. In this way there was unavoidable want of touch between tenants and the zamindars and some of the latter began to settle in towns but retaining control over their estates through managers. The managers in most cases have rendered honest and efficient services. It cannot be said that there has been failure or neglect on the part of the zamindars in improving their estates for absenteeism or want of touch.

The zamindars have in many instances established schools and contributed towards the starting and maintenance of waterworks, hospitals and construction of roads and opening out irrigation works and digging khals and constructing bunds and advancing money without interest or at low rate of interest in times of calamity.

Q. 10. It was certainly for the good and benefit of the State at the time and hence for benefit of the people and province (*vide* answer to question 5). It may have resulted at present in the advantage of the landlords who have for long suffered losses but this advantage cannot be said to be at the expense of the tenants. There was a limited number of tenants at that time and most of the tenants were subsequently settled by the zamindars. On account of the Permanent Settlement the provincial revenue has largely increased on the heads of stamp, Court-fee, registration, income-tax, excise, export and import. The Permanent Settlement has given rise to the growth of the middle class who represent the culture and intellect of the province and form the backbone of the society. This middle class occupy high post and from amongst them we find best doctors and lawyers, engineers eminent scientists who would do honour to any country. It is this middle class we are in many instances leaders of big business concerns such as share markets and tea industry and they have started banks which have contributed to the economic uplift of the country.

Q. 11. This criticism is not justified. The appropriation of a large percentage of income by landlords after long suffering and losses in the beginning is not improper and unreasonable. Subinfeudation was necessary for purpose of reclamation and improvement of lands. It existed from before the Permanent Settlement. As to oppressive overlordship there may be exceptional cases which can be put down by recourse to law. Rent-roll on basis of cess valuation cannot be accepted as correct. It is not clear how 80 per cent. goes to zamindars. The tenure and under-tenure-holders get a large portion of the income from land.

Permanent Settlement has not led to the creation of overlordship. If there is any overlordship it is in consequence of the failure of the

tenant to act upto his promise. That it is not so is apparent from the fact that the Hon'ble Mr. A. K. Fazlul Huq could defeat the Hon'ble Sir Nazimuddin in his own zamindari at the last election to the Bengal Legislative Assembly.

Q. 12. No, it cannot be ended.

It will not do any good but cause enormous loss to the people and entail an everlasting calumny on the British Crown and Parliament with whose consent and approval the Royal Proclamation was made.

Q. 13. We do not advocate any of these methods.

A bargain which was good and expedient at the beginning cannot and should not be undone after 145 years because it would be better for one party to do so, especially when at expenditure of enormous money and labour, the other party or his representative has made improvements and caused increase in the assets. We do not approve of any of these methods for increasing revenue or making up the loss which is rather imaginary. The first two means are disastrous and ruinous to the people in general and specially to the gentry. Tax on agricultural income tantamounts to abolition of the Permanent Settlement. Any tax on land or its produce, is a violation of and inconsistent with the Permanent Settlement.

In this connection, reference may be made to the agitation at the time of levying road cess and the despatch of the then Secretary of State for India. That will show that the Permanent Settlement was recognised as sacrament. The imposition of primary education cess recently at the rate of five pice in the rupee on incomes from lands makes any further imposition on lands impracticable at the present time. Reduction of expenditure as recommended by the Retrenchment Committee should be adopted. Highest salary should not be more than Rupees five hundred as the Congress decided.

Q. 14. If any such exproprietary measure is adopted then reasonable compensation should be paid to the zamindars. At least 20 times the loss of income should be paid. Its amount may be estimated at about 200 crores of rupees. It may be paid by cash or bonds. Provision should be made for payment of costs of buildings, tanks, gardens, etc.

Q. 15. It should be redeemable bonds carrying interest not less than 6 per cent. Bonds should be made redeemable by instalments according to financial condition of the State within a period of 50 years.

Q. 16. It will create a social revolution. A large number of landholders will have to suffer a great loss and resort to other sources of income. A large number of private officers will be thrown out of

employment. Thousand of families will have to starve. Social structure will be nearly gone. Honour and respectability will be lost. Cordiality and mutual help will be rare. Contract of marital relationship will be difficult. Every one will be equal to his neighbour, however he may be. Those who are respected now because of their proprietorship of lands will lose their position altogether. Communism and socialism will have fast hold and chaos will prevail. Literary and intellectual advancement will be retarded.

Q. 17. Yes. If the zamindari interest is purchased, the intermediate interests should also be purchased and raiyats should be directly under the State. This will prevent any future apprehension of conflict between landlords and tenants.

Q. 18. Cannot give figures in absence of statistics but very expensive. Collection staff would be necessary.

Q. 19. We think most of the raiyats will not prefer to come under the Government. The khas mahal raiyats do not get any mercy or leniency from the officer of Government.

Q. 20. It cannot be said that the result of the Permanent Settlement was subinfeudation. The zamindar being unable to reclaim large tracts of jungles was forced to bring in middlemen for the purpose, otherwise reclamations would not have been possible. Large and small capitalistic settlements were considered necessary in reclamations of Sundarbans area (*vide* Purgiter and Ascoli's History of Sundarbans). Intermediate tenures may have some effect in the creation of higher raiyati rates in some places but they have not resulted in uneconomic raiyati holdings.

Subinfeudation existed from before the Permanent Settlement even against the prohibition of the Government as zamindar required money for reclamation, etc., and after the Permanent Settlement also they required money for the same purpose and the Government permitted it. Not more than $\frac{1}{4}$ of the original zamindari settlement holders, do now own their zamindari. The ramaining $\frac{3}{4}$ of the zamindars are purchasers. They instead of laying their money in industry and enterprises invested their money in lands, i.e., immovable property. No fault can be found with them and they cannot be deprived of their lands. Tenureholders advanced money and helped the raiyats largely in times of need and years of scarcity.

Q. 21. There will be a revolution in the country by such purchase as regards social and economic construction and the middle class gentry (tenureholders and zamindars) will be completely ruined and there will practically be complete chaos.

Q. 22. The criterion to be followed is lands in actual occupation of the zamindars or tenureholders and lands in occupation of their tenants-at-will will be considered as khas.

Q. 23. It seems to be a creation of British legislation.

Q. 24. They cannot be said to be actual proprietors except in the sense of having permanent right in the land. Their rent cannot be considered to be a form of tax payable for affording protection to their person and property and for carrying on the administrations. The revenue paid by the zamindars to Government is not only for his protection but also for the protection of his tenants.

Proprietor or full owner really means the person in whom the entire bundle of rights in respect to the land is vested. The holder of a permanent interest is a limited proprietor subject to the rights of his superior landlords in respect of rent, forfeiture, reversion, etc.

Q. 25. It should be confined to one grade of tenants, viz., actual cultivating raiyats to avoid the anomaly created by Act of 1929.

Q. 26. As soon as they cease to cultivate entire or portion of their holdings they should be considered as converted into middlemen except where the land is let out temporarily.

Q. 27. The Permanent Settlement did not intend to protect non-agriculturists whose rights have been regulated by contract as appears from subsequent legislations (Transfer of Property Acts). They have never claimed such right during the long period which has elapsed since the Permanent Settlement. They should not be given occupancy rights now.

Q. 28. Landlords have been given some rights under tenancy laws in respect of such conversion and there is no justification for the State interfering with such rights and imposing additional tax on converted lands.

A tenant using the land in a manner inconsistent with the purpose of the tenancy is liable to be ejected, but he can convert a portion of his holding to make a homestead for his own use for the purpose of the tenancy. So long as the tenancy subsists he should not be asked to pay more.

Q. 29. Yes, there is an increase on account of the increase of population in the family; the tenants are bound to cultivate other's land for a share of the produce. They cannot get the leases of lands themselves. The khas landholders also do not let out their khas land on a rent for fear of losing it by the tenants acquiring the occupancy right and of not getting rents in time on account of the trend of legislation, as for example, the Bengal Agricultural Debtors Act.

Secondly, the occupancy right having been made transferable, the tenants have lost their holding by voluntary and involuntary sales and have become landless labourers. They for their maintenance cultivate lands on barga system. As we have said before, the legislation of transferability of occupancy holdings proved disastrous to the occupancy raiyats. It has made them spendthrift, ease-loving and lazy.

Q. 30. The bargadars never had any right to the lands. They are mere labourers and in lieu of their labour they get a certain share of the produce. If any right were given to the bargadars, the people would have then tilled by paid servants and these men would starve. No right was given to a bargadar for these conditions. If transfer of occupancy right would be restricted only to agriculturists, the price fetched would be low. Many well-to-do agriculturists have purchased many holdings and have reduced the sellers to day-labourers or "gaboors" for cultivation. Occupancy raiyats have sold their holdings for meeting liabilities—this is true of all men. The reasoning involved in the question seems to be beside the mark. Whether the occupancy is sold to an agriculturist or non-agriculturists the seller's position remains the same. He loses his holding. Very few are not agriculturists. A minister of the Government may be an agriculturist so the purchasers are not all non-agriculturists. Many holdings have been sold for arrears of rent.

Q. 31. Barga area is not very large. Majority of bargadars have other lands in raiyati and under-raiyati.

Q. 32. They should not be given occupancy rights. For their protection share of produce may be restricted from one-third to half according to the value of the produce.

Q. 33. If the rent is restricted as above to the produce, it is economically sound.

Q. 34. Yes, zamindar's khas lands are let out in barga and if bargadars are allowed occupancy rights they will be kept khas and cultivated by hired labourers.

Q. 35. *Vide* answer to question 32.

Q. 36. There is no substantial difference between their economic position except that the income of the bargadars is uncertain and subject to risks of agricultural calamities, on the other hand, the hired labourers have to sit idle for want of work.

Q. 37. Yes. The provisions regarding transfer in both the amending Acts should be abolished and the old law should be followed.

Q. 38. 3 acres.

Q. 39. Yes, original economic holdings gradually becoming uneconomic for the causes mentioned.

Q. 40. Desirable, if practicable.

Q. 41. Desirable if it can be done with the consent of landlords and tenants.

Q. 42. To 3 acres for every 5 members of the family of the raiyats.

Q. 43. If there is no misunderstanding or differences between the coparceners, it is not detrimental to cultivation, but rather helpful, otherwise when differences arise coparceners may have the holding partitioned. The court in making the division should see that the subdivision may not be uneconomic as in case of partition of joint family property where right is given to bigger sharer to purchase small shares.

Q. 45. The question is not clear, no legislation necessary. Present law sufficient.

Q. 46. Yes, as subsequent legislation shows the intention of the Government.

Q. 47. No, there cannot be any fixity without express provision of law. There is no such provision in Regulation I of 1793. On the other hand, a careful perusal of the Regulation VIII of 1793 shows power of enhancement. Proprietor has right to enhance. Even section 50 (*i*), Bengal Tenancy Act, shows zamindars' powers to charge rents. The Act X of 1859 providing for enhancement on the ground of rice in prices shows that there was no intention to fix the rent for ever. Section 7 of the Bengal Tenancy Act also supports this view.

Q. 48. The rents were not meant to be fixed, so it is unnecessary to consider the grounds mentioned.

Q. 49. There cannot be any case for reducing the rents of tenants existing from the time of the Permanent Settlement except on the ground of decrease of the area of the tenancy.

The rent of a raiyat varies for various reasons, e.g., fertility of the land, the future probabilities of the land and proximity of the land to the other lands of the tenancy. There is no sufficient material available at present for determining what was the prevailing rate at the time of the Permanent Settlement or for distinguishing the tenants who are successors-in-interest of those existing from the time of the Permanent Settlement and those who have taken settlement subsequently.

True, the tenants have grievances, but it is difficult to suggest any practical proposal which will cover all or most of the cases. In cases

of tenancies created before or shortly after the Permanent Settlement the rents are rather low; so that those tenants have no grievance. From the end of the last quarter of the past century and from the beginning of the present century price of staple food crops and jute has enormously increased. This had the effect of increasing the rent of the tenants, specially of those tenancies which were created after the commencement of high prices. Relief should be given to these classes by reducing their rental by judicial officers having regard to the price of staple food and other crops and other circumstances. Relief may also be given at the cost of the State by opening and maintaining industries, e.g., pottery works and machinery for production of rubber goods which are not very costly, as provided in Queen's Proclamation.

It is a known fact that a considerable portion of those classes of persons were being maintained by the cotton industry, which had died out under the British rule. If possible, cottage industry should be started.

Q. 50. Our view is that rent of the then raiyats was not meant to be unalterable. Hence the question does not arise.

Q. 51. No, the zamindars took settlement practically at a loss (1/11th was given them for profit and collection charge) to be recouped by letting out at rates which could be justly obtained in view of demand for land and by extension of cultivation.

Q. 52. The present provisions of the Bengal Tenancy Act are sufficient and there is no necessity for any change.

Q. 53. The rents are partly based on the above principles according to local conditions. But it is difficult to say to what extent in absence of accurate statistics majority of them cannot be described as lump rents. It is difficult to say to what extent they are fixed on custom, competition and productivity in absence of accurate statistics. It is not true that in practice the rates differ greatly for lands of similar value in almost every village and estate.

Q. 54. Solvent tenants can get at lower rate on payment of premiums or advance rent which the poorer cannot afford to pay. It is not a fact that a weaker tenant pays higher rate. Landlords often accept moderate rates in consideration of solvency and honesty of the tenants in the same way as moneylenders allow loans to such debtors at moderate rates of interest. A weaker tenant if honest and reliable is often entitled to similar concessions. Besides the above there is another factor for fixing rate of rent. Zamindars often prefer *bona fide* and honest cultivators even at concession rates and often refuse higher rate offered by undesirable persons.

No re-adjustment of rents on a uniform basis with a view to reduce the present raiyati assets is not possible if compensation is paid by issuing bonds on interest. Existing uneconomic rents may be readjusted and brought to economic scale. That can be done without preparing a new record of rights.

Q. 56. One-third to half the produce or its value according to the value of the produce.

Q. 57. Should be revised at the interval of 30 years.

Q. 58. No advantage. It would be extremely difficult to ascertain such profits and assess the tax. A large number of persons would escape payment and the number of exemptees would gradually increase.

Q. 59. There is no definite provision for assessment of tenancies not previously assessed. Power should be given to the Civil Courts for assessing fair rents for unassessed lands to reduce rents for holdings and tenures where it is proved to be uneconomic.

Q. 60. No objection. It is not fair that tenant should get the unearned income to the exclusion of his proprietor landlord.

Q. 61. This is also an unearned income and landlord should have a share.

Q. 62. No reason to exempt them.

Q. 63. The question is not understood.

Q. 64. There sohuld be no limit of rate of new settlement. There may be provision in Bengal Tenancy Act for reduction of rent when it is proved to be uneconomic.

Q. 65. There are no serious defects and present procedure may be justified provided that a sub-clause may be added to section 104H(3) to the effect that a civil suit against an entry of rent settled may lie on the ground that the settlement of rent has been made in gross violation of any principle of law. Experience has shown that revenue officers often make assessment disregarding and misinterpreting the provisions of law and terms of contract between the parties against which no relief is obtainable except by a civil suit.

Q. 66. There are such cases but it is difficult to give instances off-hand.

Q. 67. Yes. Invariably in all revisional settlements high contract rates (apparently unfair) have been maintained and general raiyati rates increased on the ground of rise in prices. The revenue officer has power to reduce existing rents under section 104A(*d*), Bengal Tenancy Act, but rarely has this power been exercised. The object is not to give relief to the tenants but to enhance the Government revenue.

Q. 68. It is difficult to give instances off-hand.

Q. 69. It was certainly a mistake on the part of Government to enhance raiyati rents during depression. This policy has been followed up to 1937 and stopped since inauguration of new Government of India Act. The old policy led to legitimate grievances on the part of the tenants and of the settlement holders.

Q. 70. May be due to competition. Increase of population and indiscreet assessment by different revenue officers without any fixed principles.

Q. 71. The rules are practically a dead letter regarding permanently-settled areas and rarely acted upon in khas mahals.

Reasons are (1) ignorance and apathy of the zemindars who do not know how to assert their rights and press for legal reliefs; (2) indifference of local authorities in taking necessary troubles and steps which may result in loss of revenue; (3) unwillingness of local officers to report to higher authorities for fear of meeting with refusal. The existing rules should be modified as follows:—

(1) The condition precedent to opening test works should be deleted;

(2) Authority should be given to the Collector and the District Judge;

(3) Remissions should be allowed on the application of the tenant also.

Q. 72.

	Rs.			Mds.
Jute	50	...	...	20
Aman	20	...	...	18
Sugarcane		...	...	—

Q. 73. Ordinary experience shows char and newly reclaimed lands yield more and fetch higher rents than old culturable lands. Reasons are (1) loss of natural irrigation for silting up of rivers; (2) not giving rest by keeping the lands fallow at reasonable intervals; (3) want of manures; (4) want of deposit of silt under fluvial action. Bengal Government have practically taken no steps for improvement by distribution of manures and improved seeds.

Q. 74. Because the initiative is not taken by Government and it is difficult to apportion the benefit and realise tax sometimes from a considerable number of individuals interested in the improvement, and also because the tenants are too poor to pay the additional tax.

Q. 75. Much remains to be done to complete the embankment and other improvements but probably for financial difficulties Government has in recent years restricted the expenditure.

Q. 76. Salami is realised for about 20 years. No part of it is spent for improvement of land.

Q. 77. Outside permanently settled area the uneconomic condition of tenants is mostly due to the over-assessment of temporarily settled mahals. At the time of every revision raiyati rents are increased and high and manifestly unfair contract rates are seldom reduced, care being taken only to the increase of revenue and not to the relief of the tenants. According to the Parliamentary Joint Committee's Report of 1919 there has been legislation in almost all the provinces of India limiting Government revenue to 1/3rd or less of the raiyati assets except in Bengal where the assessment has been left to the discretion of the revenue officers who have been enjoined to follow the revenue policy of the Government of India published in 1902 which lays down (in theory) that progressive moderation is the keynote of the policy of the Government and the standard of 50 per cent. of the assets is one which is almost uniformly observed in practice and is more often departed from on the side of deficiency than of excess and the policy of long-term settlement is gradually being extended. This policy is not followed in case of resumed mahals in respect of which much less than 50 per cent. is allowed to settlement holders for their profits and collection charges and period of settlement is fixed at 15 years. It is humbly suggested that in temporarily settled estates the Government revenue should be limited to less than 50 per cent. of the assets as has been done in other provinces and in future revision rates of raiyati rents should be brought up to economic level by reducing high contract rates and cancelling the enhancement during economic depression.

Q. 78. It is difficult to give it in absence of accurate statistics. Their income from other sources is not much. They are illiterate and ignorant and have no saving habits but extravagant in years of bumper crops and incur debts unnecessarily and sometimes foolishly. Many of them are unable to maintain themselves and their families with their income.

Unless their illiteracy is liquidated and they are trained in modern and improved system of agriculture which is their main source of income there is no hope of their economic and social uplift and by training them in home industries, etc. Schools for giving free primary and agricultural education should also be established in every village at Government initiative and cost.

Q. 79. The present system is not satisfactory as there is no machinery for bringing it up to date. The United Provinces system may be tried by empowering our village union boards to maintain continuous and accurate record without fresh taxation.

Q. 80. Yes, all these four suggestions will certainly help them in increasing income.

Q. 81. Ignorance and illiteracy seem to be mainly responsible for their poverty. Pressure of population is also one of the main reasons.

Q. 82. This being mainly an agricultural country, agricultural industry is our main support and its scope should never be restricted or interfered with. State-aided factories will remove the unemployment of a large number of non-agriculturists. Surplus agricultural population should, if possible, be provided with agricultural lands from khas mahals or if necessary from reserved Sundarban forests (after keeping sufficient tract for pasture, timbers). If that is not possible then the surplus population may be employed in Government aided and cottage industries.

Q. 83. State agricultural credit banks should be established in every union (group of villages) for giving loans to agriculturists at interest of 6 per cent. per annum and accepting deposits at 3 or 4 per cent. per annum. At present there is no efficient Government or private organisation for this purpose. Co-operative rural society is not sufficient. The Bengal Agricultural Debtors' Act should be repealed as it has destroyed the agricultural credit.

Q. 84. A considerable percentage (may not be 25 per cent.) goes to mahajans. It can be stopped by establishment of State credit banks (*vide* question 83) which may pay off present agricultural debts by advancing loans at moderate rates of interest.

Q. 85. The co-operative societies have succeeded in tackling the credit problems to a very small extent. Their rate is not too high but on account of heavy indebtedness the agriculturists cannot afford to bear it at present and would be benefited by further reduction of the rate. Very small number of societies has succeeded in wiping out the debts of their members. There has not been appreciable benefit to the agriculturists because of their ignorance and illiteracy. They have not been able to appreciate the usefulness of credit societies and have not tried to take advantage from them.

Q. 86. Debt Settlement Boards have not been able to deal with the agricultural debt problem as was expected. They have created unrest and complete loss of agricultural credit. There are many and serious defects in the Act and the Boards are manned mostly by half educated and inexperienced ordinary villagers having no judicial or legal experience and not above corruption. The result is that a large number of

non-agriculturists (zamindars, talukdars, teachers, pleaders, doctors, etc.) are unlawfully taking advantage of the Act to delay and defraud their creditors and many credit institutions have been seriously affected. The present Act should be replaced by a new Act empowering Civil Courts to deal with these debts. Arrears of rents should be excluded from the operation of the Act.

Q. 87. Yes. *See* question 83.

Q. 88. Land mortgage banks are of recent origin. It is difficult to say how far they will succeed. They should be tried in each district of Bengal as most of the loan companies are in difficulties and long-term loans cannot be obtained at present.

Q. 89. The present machinery of Civil Courts for realising rents is costly and dilatory and harassing to both parties. The present law may be modified by curtailing costs of rent suits and shortening the time of disposal.

Q. 90. The certificate procedure is highly objectionable and oppressive.

Q. 91. Yes. There ought to be a simple modifying Act embodying the main provisions of the old revenue regulations and revenue laws.

Q. 92. Revenue Sale Law and Patni Regulations appear to be very harsh and require modifications to mitigate their rigour. Section 11 of the Court of Wards Act should be amended so as not to include persons who are not minors or females and the recent amendment since 1935 should be repealed and Section 95 of the Bengal Tenancy Act should be amended so far as making over to the Court of Wards is concerned for management.

Q. 93. The amending Act of 1938 is an exproprietory measure depriving landlords of their just right to transfer fees in recognition of their proprietary right. It is difficult to estimate their loss of Transfer fees in absence of statistics. It is no doubt very large. The effect of the Act on raiyats is disastrous as right of free transfer will soon make them landless labourers.

Additional reply to Q. 49, by Rai Bahadur Ganesh Chandra Das Gupta alone.

The operation of the laws of nature is to create difference between man and man. All civilized Governments attempt to make them equal. But no amount of human legislation can make all men equal in strength, skill, courage, intelligence, character, enterprise and industry. All that the best Government can aspire to do is to provide for the protection of

the life and means of life for every individual in the country, and to give equal opportunities to all for training and culture, and to supply the weakest of them with the absolute necessaries and amenities of life by providing for them hospitals and asylums and for educational institutions. The most important thing that matters is intelligence. If all the men in a country are arranged in an ascending scale of intelligence into three classes it will be found by the law of averages that a very large majority of the people will be found grouped together in the class marked as class of average intelligence, i.e., the middle class; a very small number will be found placed in the group of higher intelligence and an equally small number will be found grouped under lower intelligence. This will be demonstrated by quetlets, statistical tables, given as an appendix in Galton's Book on Heredity and Genius.

Skill can be acquired by intelligence and skill begets confidence and confidence begets courage, and the combined effect of these four (intelligence, skill, confidence and courage) gives a spirit of enterprise and industry. So the basic difference between man and man, is the difference in intelligence. Nature and culture can improve intelligence but cannot supply intelligence when there is none. All differences in political and economic situation in a country are brought about by superiority in intelligence, either foreign or indigenous. Knowledge, it is said, is power, but when knowledge is not guided by intelligence it is not power. Any disposition of power contrary to the laws of Nature is unstable and makes for revolution.

Unintelligent people at the bottom are the class known as unskilled labourers. As soon as they acquire skill and have intelligence enough to rise higher, they cease to belong to the class of unskilled labourers. So the law of Nature prevails and cannot be abrogated by human agency.

Karl Marx during his later years was convinced that his theory of communism advocated in his book "Das Capital" was only suited to an industrial country like Germany and not suited for agricultural country with a complicated landtenure system and was writing a separate book for this class of cases but could not finish it before his death. This will be found in the life of Karl Marx given in Encyclopaedia Britannica, 1st edition. Communism was found unsuitable even in an agricultural country like Ukraine in Russia (*vide* the published letters of Lenin) and the theory of communism had to be greatly modified for Ukraine in the later Moscow legislations.

Bengal is an agricultural country and its position is unique in the World in this respect. So the problem of landtenure in Bengal has to be solved on its own merit and not merely by ideas borrowed from

any other country. The following questions emerge at once for consideration:—

(*i*) We must take into account the existing facts, brought about by custom, usage and legislation.

(*ii*) We must try to modify them gradually without introducing revolutionary measures.

The foremost condition is to make Bengal self-sufficient in the matter of food supply. Bengal cannot expect any other country to supply its food because Bengal has nothing to give in exchange. Industrialisation is no solution for this problem for articles manufactured in Bengal cannot be expected to find a market in other countries against foreign competition. The highest amount of industrialisation possible in Bengal is to make Bengal self-sufficient in the matter of Industry, or in other words the industry of Bengal should be able to supply the needs of the people of Bengal in respect of articles of manufacture. So the two propositions are:—

(1) Bengal should grow staple food, i.e., paddy and pulse to feed the whole population of Bengal, and hence there should be a sufficient area for paddy and pulse and a sufficient number of paddy growers for cultivating the area for the required quantity of paddy and pulse.

(2) The non-agricultural population of Bengal should be so skilful and efficient as to be able to give in exchange of rice and pulse all the necessaries and comforts of the paddy growers of Bengal including their training and culture and more particularly their technical training in cultivation.

By natural competition and by the operation of natural laws, the lowest class of intelligence in the country will find occupation as unskilled labourers in Industries, and as halias or bargadars amongst paddy growers. The area under paddy in Bengal is 25·7 million acres as given by the statistics and the population of Bengal is 50·1 millions.

Now, it will be seen that an average man requires 6 maunds of rice or 12 maunds of paddy per annum for his food. The average yield of paddy per bigha is 6 maunds a year so every man requires at least 2 bighas of paddy land for his staple food only. It has been established by agricultural chemistry that if pulse is grown as a rabi-crop it helps the growth of paddy but all paddy land is not fit for growing pulse. As the quantity of pulse necessary for the year is about 1 maund it will not be necessary to set apart additional land for pulse. The unit of society is not an individual but a family-man, wife and children. Taking an average family of a paddy grower to consist of 5 members and 3 of them men and women capable of doing work, for women are as

much necessary for agriculture as men (by cooking their food and husking and cleaning paddy and nursing and rearing their children, etc.). A family of paddy growers would require at least 10 bighas of paddy land for their staple food and as an average family consists of two adult male members and as 2 men cannot cultivate more than 10 bighas of paddy land, we may find the number of the family of paddy growers necessary to cultivate the area under paddy in Bengal.

As the area under paddy is 25·7 million acres, i.e., 77 million bighas and the paddy produced can only feed a population of 38·5 millions, therefore the paddy grown is insufficient to feed the people of Bengal who are 50 millions and hence the cry of *dal bhat*, and the unskilled labourers being the lowest in intelligence are the hardest hit and greatest sufferers in Bengal in this respect. It will appear that the total area under paddy must be over 100 million bighas even at present and the population is increasing at the rate of 1 per cent. per annum, that is, an increase of one per minute while the area under paddy is practically the same excepting deltaic islands which are very small, and it requires a good many years before any new alluvial formation is fit for paddy and in no circumstances can give two bighas of paddy land per minute.

The experience of Government farms in the matter of growing paddy has shown that the yield of paddy in Bengal cannot be increased by adoption of machinery or by artificial manner except at a prohibitive cost (*vide* N. G. Mookerjee's Hand Book of Agriculture). Late Mr. R. C. Dutt, I.C.S., has shown that the paddy growers of Bengal have not adopted western methods because they are unsuited to the lands of Bengal and are very much more costly and that as a matter of fact they have better local experience in these respects than the so-called experts. The number of paddy growers necessary under present circumstances to cultivate the present area under paddy is 38·5 millions. We find from the statistics that the raiyats and under-raiyats number 21 millions. So I presume that the remainder, i.e., 17·5 millions may possibly be landless agricultural labourers. If the area under paddy is increased from 77 million bighas to 100 million bighas or in other words if 23 million bighas are added to paddy-growing land they will absorb 11·5 millions of landless agricultural labourers and their families. The remaining landless agricultural labourers (6 millions) should find employment as unskilled labourers in industry and this requires expansion of industry in Bengal. The area under paddy has been too much restricted by the growth of jute, betelnuts, sugarcane and tobacco under the lure that they are money-producing crops. And this is the most important cause of scarcity of food of the people of the lowest stratum. The restriction of cultivation of paddy is suicidal and the idea of replacing the paddy by money

making crops is absolutely preposterous and is sure to bring on famine and will not supply *dal bhat* to the lowest class of cultivators. But when the quantity of staple food produced in Bengal is small and insufficient to feed the whole population somebody must suffer, however high the price of rice may be and the weakest and poorest will be worst sufferers. The economic solution of Bengal lies in making Bengal self-sufficient in the matter of staple food as well as in the matter of manufactured articles. So long as this is not done no amount of tinkering in legislation can help the situation. The rent of paddy growing land should be fixed by legislation so as to enable the paddy growers and their family to have the absolute necessaries and comforts of life, and diminution of paddy growing land should be stopped by legislation. The rent of tenures should be reduced in proportion to the quantity of paddy growing lands under them. It will be optional with zamindars also to take a proportionate reduction of revenue, but if they do so the budget will have to be recouped by levying an additional income-tax for this purpose derived by these zamindars from agricultural lands, but without in any other way affecting their rights under the Permanent Settlement. When the income of any such individual zamindar from agricultural sources be less than Rs. 2,000, he should be exempted, as in all other cases of investment. Paddy growing lands should be divided into 3 classes in each union under the union board and 10 bighas of land of each class should be cultivated under the supervision of the Circle Officer, in order to ascertain the actual cost of cultivation which should include the maintenance of the family of cultivators, the remainder, if any, should be divided into 3 equal parts; one-third will go to the tenant having the right of occupancy in the land and two-thirds to his immediate landlords. In khas mahal one-third will be given to tenureholders, if any, and the remaining one-third to Government as revenue. Every family of paddy growers should have in addition to ten bighas of paddy land, two bighas of homestead land for their dwelling, cattle-shed, tank for drinking water, garden for vegetables and cotton, workshop for cottage industry and trees for fuel and fruits. If such a scheme is worked out it may solve the economic problem of Bengal, and both the landlords and tenants may come to an agreed solution. An adjustment of the revenue now paid for the estate will have to be made according to this scheme, but there should be a positive assurance in the statute that the adjustment made according to this scheme will not affect the other rights of the zamindars and the tenureholders, which are not repugnant to the statute. The foremost duty of Government should, therefore, be to bring under cultivation waste lands and jungle lands so as to increase the area of land under paddy until it is twice as many bighas as there are people in the country. If the population increase at this rate, namely, 1 per

minute, it will be necessary for the people of Bengal to migrate to other provinces having a spare population and to colonise there and start industry if there are no suitable lands for agriculture. The men of such colonies must either grow their own food or have skill and intelligence by which they can manufacture articles good enough to fetch food from other country by exchange. There is no other possible solution of the economic problem. Many people from other provinces have come to live in Bengal for want of food either as traders or as non-agricultural labourers, skilled and unskilled. Bengalees must do the same by way of reciprocity. There is enough spare land in the continent of India for this purpose as any map of India showing the density of population in each different part of India will show. It is a question of intelligence, skill, courage and enterprise for the next generation.

Reply by the Burdwan Bar Association.

Q. 1. The description of the objects of the Permanent Settlement is only illustrative and not exhaustive. The chief object was to put the revenue system of the province on a stable basis and to ensure punctual payment. It exacted the maximum possible revenue out of the existing assets, at that time. It was a political necessity and an economic gain. It was a God-send when the Government was at its wit's end to balance the budget. This steady and unvarying income from the soil enabled the British nation to build up their Indian Empire. Bengal paid the expenses of the ambitious wars and annexation in northern and southern India. Madras and Bombay never paid the total cost of their own administration during these years.

There were no clear cut or well defined rights of the tenants before 1793. The tenants were completely at the mercy of landholders or the State before that date. There was nothing to be taken away.

Q. 2. Yes, it certainly did. The zamindars had absolute discretion in choosing new tenants for the reclaimed waste lands in evicting paikust raiyats and in refusing to recognise transferees.

Q. 3. The Commissioner, Burdwan division, reported on the 20th October 1883 "the wealth and prosperity of the country have marvellously increased, and increased beyond all precedent under the Permanent Settlement and the zamindars have been very active and powerful factors in the development of this prosperity".

Q. 4. Not at all. The zamindari was a permanent inheritable and transferable interest before 1793, subject to a formal confirmation of the Ruling Power. But absolute proprietorship of the soil or the aggregate of rights akin to fee-simple was unknown to India and not even claimed by the sovereign.

Q. 5. Yes, certainly. Annulment of the Permanent Settlement would be a breach of solemn pledges and contracts of an established Government believing in which large sums of money have been invested in land. A contract generally implies two parties. The tenants were not necessary parties and were out of the picture altogether. The financial resources of the province have not been crippled. Bengal pays more in cesses, income-tax, jute duties, stamp duties and customs than other provinces.

Q. 6. Yes, the zamindars have amply fulfilled the expectations of the authors of the Permanent Settlement. The Fifth Report of the Select Committee of the House of Commons stated in 1812, "Due to the Permanent Settlement, Bengal exhibited in every part of it, improvement on a general view, advancing with accelerated progress in later

times." His Honour Lt. Governor Sir Peter Grant in his Memorandum, dated 10th August 1861, stated "The Settlement as a whole was a heavy assessment at the time and its wonderful financial success is beyond all question".

A correct estimate of the different factors that contributed to the reclamation of waste lands is difficult. The settled order of things brought about by the zamindars after 1793 was the chief factor, (*iii*) is responsible for at least 80 per cent. of the increase, (*ii*) may be responsible for 15 per cent. and (*i*) for only 5 per cent. of the increase in cultivated area.

Q. 7. The valuation of the khas lands is in many cases arbitrary. If proper scrutiny is made this may have to be reduced by 33⅓ per cent. in many cases. The settlement report of the rent roll of the raiyats is not the correct guide. There may have been submersion of large areas under water, deposits of sand and consequent surrends in many cases and lands being covered with weeds due to depopulation in villages, since the last settlement records. At least 15 per cent. of the rent roll will have to be deducted on those accounts. It is rather difficult to assess the comparative percentages of the causes of the increase in rent roll. But the chief factor is undoubtedly the zamindar's good management and industry, to (*i*) may be ascribed 90 per cent. of the increase, to (*ii*) 9·5 per cent. of the increase and to (*iii*) ·5 per cent. of the increase.

Q. 8. Yes, the zamindars did behave with moderation and treat their tenants with generosity. That was the reason why raiyats settled down in villages and population increased in villages in the first few decades after 1793. Had they oppressed and evicted their tenants indiscriminately, the lands would have remained uncultivated.

Q. 9. Almost half of the agricultural land of Bengal remained uncultivated and infested with wild beasts in 1793. The pioneer zamindars by their industry, enterprise and good management reclaimed these waste lands and converted them into fertile fields. The railways have obstructed the natural drainage systems and converted the villages into hot-beds of malaria, cholera, etc. This has driven the zamindars and many others from the villages to the towns.

Q. 10. Yes, it is an economic gain in the long run. Mr. R. C. Dutt writes "In England the Land Settlement of 1798 benefited the landed classes only. In Bengal, the Settlement of 1793 has benefited the whole agricultural community. The entire peasant population shares this benefit and is more prosperous and resourceful on account of this measure. It has afforded a protection to agriculture which is the only means of the nation's subsistence.

Q. 11. All the grounds are fallacious—(*i*) There is a chain of intermediaries between the zamindar and the actual tiller. The tenant enjoys at least 50 per cent. of the income. The remaining 50 per cent. is shared by the 63 lakhs of zamindars and tenureholders with co-sharers.

(*ii*) Yes, it has led to equitable distribution of national wealth by subinfeudation.

(*iii*) Even with a little enhancement the average rate is Rs. 3 per acre, whereas it is Rs. 4-11 in the khas mahal areas.

(*iv*) The zamindars, now, have very limited powers of enhancement or eviction under the statute. Had they been oppressive, the raiyats would have left the permanently settled areas and repaired to the khas mahals. History tells a different story. The criticism is based on ignorance and not justified.

Q. 12. No, I do not. But if it is necessary to take away the legal rights of the zamindars guaranteed under solemn pledges and contracts of the Sovereign Power, as a matter of public policy, or expediency, fair and adequate compensation must be paid to the zamindars and other tenure-holders.

Q. 13. The argument is wrong. Even admitting that it involves a loss, it cannot be regretted when we consider what difficulties it conquered and what prosperity it has introduced and achieved. If the land revenue had been flexible, the jute tax, income-tax and custom duties would have been productive of a much lesser income.

(*i*) The abolition of the zamindari system shall reduce the receipts under the heads of (*a*) stamp duties, (*b*) customs, (*c*) income-tax and (*d*) jute tax.

(*ii*) This method may result in the increase of land revenue, but the revenue from other sources will record a large fall. The income will be uncertain and there may be large defalcations.

(*iii*) I cannot advocate agricultural income-tax either on the grounds of justice, equity or good conscience. Land is overburdened with too many taxes and any further taxation would make agriculture unremunerative and a loosing concern.

Q. 14. If the Permanent Settlement be abolished or modified, full compensation shall have to be paid to the zamindars who have invested very large sums of money, implicitly believing in the solemn pledges of the Government. 240 crores of rupees or if the khas lands, also, are bought up 320 crores of rupees may have to be paid. 20 years' value on the nett income to be paid.

Q. 15. If compensation is paid in bonds and not in cash, it may be paid in 5 per cent. income-tax-free bonds redeemable after 20 years. The bonds should be terminable.

Q. 16. It will compel the zamindars to stop or curtail their social activities and charities. The middle class which supplies the strata of educated men will disappear.

Q. 17. Yes, in case of State purchase of the zamindaris the interests of the tenure-holders should, also, be purchased at 20 years value on the nett income less 10 per cent. collection charges. I am afraid the history of the revenue system before 1793 will be repeated. But the tenure-holders being freed from cares and worries of management will divert their attention to other profitable industries.

Q. 18. The additional machinery will consist of a chain of officers and staff which will cost the Government about 2 crores of rupees.

Q. 19. No, I do not think so, as the average rate of rent is higher in the khas mahal areas than in the permanently settled estates and summary process of the realisation of rent and agricultural loans is considered oppressive by the raiyats, and the Government is the most successful enhancer of rents.

Q. 20. Yes, the subinfeudation has come as an economic necessity after 1793. When zamindars found the estate too big for them they sub-let it to others and so on. The social and economic condition of the raiyats has not been much affected as they enjoy equal facilities and advantages with the direct raiyats under the zamindars. It has, however, prevented the growth of economic holdings.

Q. 21. With the disappearance of the tenureholders who form the middle class, the social and economic activities of the province, will be affected. Some may turn their attention to industries.

Q. 22. In case of State purchase, compensation in the shape of 20 years' value on the annual cess valuation is to be paid to the zamindars and tenure-holders for their khas lands. The homesteads must be left to them on payment of fair rent to the Government. The criterion for the zamindar's khas lands shall be his title deeds and possession.

Q. 23. A prescriptive right akin to it existed only in favour of the khudkhast raiyat but not in favour of any other raiyat. The occupancy right as such is a creation of the British legislation.

Q. 24. If we look back through the mists of 2,000 years, we find village communities and head men distributing the gross produce between the State and the other sharers. "Proprietorship" in the English sense or that highest aggregate of rights called "fee-simple"

in England was unknown to India. During the Hindu or Muhammadan periods, even the independent Ruler never claimed it and the tillers of the soil never dreamt of it.

Q. 25. The actual tiller of the soil is very often a day labourer. He neither claims nor is entitled to any protection from eviction. If occupancy rights are given to the actual tillers in every case, the statutory raiyat will be expropriated and the middle-class who live on land will be expropriated at once. I favour limiting the occupancy rights to one class of tenants and not extending it to other grades.

Q. 26. The extension of occupancy rights to more than one grade of raiyats will lead to still further subinfeudation and add complications to the already complicated land tenure system of Bengal. I do not advocate this principle. (*a*) and (*b*) are instances which prove my case.

Q. 27. No. Only the khudkasht raiyats were protected to some extent. Article VII of the Regulation mentions "dependent talukdars, raiyats and other cultivators of the soil". Non-agriculturists were not contemplated by the Permanent Settlement. No, except in special cases.

Q. 28. Not necessarily. Ordinarily, the zamindar should have the right to forfeit such leases. The State cannot intervene nor levy any additional tax for conversion of such land under the Permanent Settlement. The zamindar is entitled to such additional tax, if any.

Q. 29. In some areas the number may be on the increase. Generally, the number is steady.

Q. 30. Yes, all the three factors are responsible for the increase, if any, in the number of the bhagchasis or adhiars.

Q. 31. The area of land normally held by a bargadar is about 2 or 3 acres. No, usually they do not hold land in any such right.

Q. 32. No. They are practically agricultural labourers and are paid in kind by a share of the produce. They cannot claim any protection.

Q. 33. Yes, it is economically sound. It provides employment for a section of landless people.

Q. 34. The effect of giving occupancy rights to bargadars will be robbing the raiyat of his legal rights and would spell the ruin of the middle-class. It will throw all the bargadars out of employment.

Q. 35. Ordinarily 50 per cent. of the produce is paid to the landlords which is a fair proportion. Custom varies in different areas. The maximum limit may be fixed at 60 per cent.

Q. 36. The wages are usually 4 to 5 annas per day in addition to fooding paid. They are sometimes better off than the bargadars.

Q. 37. Yes, the Act of 1938 has increased this tendency. The results will be prejudicial to the cultivating raiyats as a whole. The transfer may be restricted to agriculturists only and imposition of landlords' fees on transfer would be a salutary check.

Q. 38. At least 20 acres; for cultivation with tractors an economic holding should comprise 1,000 acres.

Q. 39. Yes, the laws of inheritance, the statutory rights of transfer and subdivision and the increase of population, all these factors tend to further fragmentation of holdings.

Q. 40. Yes. This may be practicable only by acquisition of small holdings on co-operative basis and making the raiyats share-holders in the society.

Q. 41. Yes, "reserve bidding" as in the partition of the estates may be provided for to help the cultivator to consolidate his holdings.

Q. 42. The question is problematical. No limit can be placed by legislation on such accumulation.

Q. 43. Yes, coparcenary is detrimental. The law of inheritance shall have to be changed.

Q. 44. Nothing, unless the Hindu and the Muhammadan laws of inheritance are changed and the Bengal Tenancy Act of 1938 is amended so as to restrict transfer and check fragmentation.

Q. 45. The law is there already. Section 93 (*ii*) of the Bengal Tenancy Act, 1938, provides for it.

Q. 46. Yes, the Permanent Settlement was a device to exact the maximum possible revenue out of the ascertained assets at that time. Even to-day, nobody can enter on any business on such a small margin of profit. The zamindars were caught in the trap.

Yes, it was contemplated that the zamindars would increase their income by reclaiming waste lands and by enhancing rents.

Q. 47. The framers of the Permanent Settlement did not contemplate fixity of the rates of rent either in the case of the existing tenants or in the case of the new tenants, as the Despatches of the Board of Directors would show. The Board of Directors wrote to the Government of Bengal in their letter, dated 15th January 1812, "the Permanent Settlement has secured to the proprietors of the estates the whole of the rise in their rental." In 1815 they wrote "the effect of the Permanent Settlement.....is to augment the landlords' rent". The preamble to Regulation XLIV of 1793 also proves this.

Q. 48. The only tenures of which rent was fixed in perpetuity were mokararidars and istemrardars who had (*a*) held at a fixed rent for more than 12 years or (*b*) contracted for payment at a fixed rent with the zamindar or actual proprietor. The khudkasht raiyat was protected from eviction under certain circumstances. Other tenancies were not meant to be fixed in perpetuity. (*a*), (*b*) and (*c*) prove this. The intention of the Government which enhanced rents more determinedly and effectually than private proprietors did or could prove this.

(*d*) The Bengal Tenancy Act of 1885 and the Rent Act of 1859 went beyond the intentions of the framers of the Permanent Settlement. Sir Barnes Peacock, the then Chief Justice of Bengal characterised such provisions of the Rent Act of 1859 "as the greatest Act of injustice" in the Great Rent Case of 1865 Thakooranee Dassi *vs.* Bisseswar Mukherji, 3 W. R., Act X Ruling, p. 29.

(*e*) This is a fallacy which does not stand scrutiny. The Minute of Lord Cornwallis, dated the 3rd February 1790, the letters and despatches of the Board of Directors all go to show that the rents of the raiyats were not made unalterable and the enhancement of rent by the zamindars was clearly contemplated.

Q. 49. The argument rests on a false premise. There is no case absolutely either on historical or economic grounds to reduce the rents of the raiyats to the rates prevailing at the time of the Permanent Settlement. It is nowhere said in the Bengal Regulation or in the despatches of the then Governor-General that the rents of the raiyats were fixed for ever, excepting in the case of two kinds of tenures mentioned above. A cursory glance at the price lists of the staple food crops since 1897-1926 will convince all critics that the slight increase in rent since 1793 is justified. In the 22 years following the Permanent Settlement, almost half of the landed property in the province was transferred by public sale and it is difficult to trace the prevailing rate of rent of 1793.

Q. 50. It was not the intention of the Permanent Settlement to fix the rate of rent of any class of raiyats unalterably. The Rent Act of 1859 rather violated the covenants of 1793 and barred the enhancement of a certain class of raiyats. This was the first inroad into the rights of the zamindars.

Q. 51. The preamble to the Regulation XLIV of 1793 shows that "the proprietors of land should have discretionary power to fix the revenue payable by their dependent talukdars". Section 52 of the Regulation VIII of 1793 runs thus "the zamindar is to let the remaining lands of his estate or zamindari in whatever manner he may think proper."

Q. 52. There cannot be any hard and fast rule of determining any fair and equitable rent. It must vary according to the facts and circumstances of the case. The question was thrashed out in the Great Rent Case of 1865 by the learned Judges of the Calcutta High Court. All the different systems of assessment may be tried in different cases.

(*i*) Yes, this is a good principle. The new rent must be lower than a full rack-rent, as the old rent was lowerer than the full rack-rent.

(*ii*) Yes this may be tried in some cases. The more equitable thing would be 3/4ths share for the landlord and ¼th share for the tenant of the nett increase.

(*iii*) Yes, that is a disadvantage.

(*iv*) May be tried.

(*v*) This is an uncertain and varying item.

(*vi*) This must be one of the factors.

Q. 53. It is difficult to assess the extent. All the principles or most of them must have been at work. (*a*) Custom, (*b*) competition, and (*c*) consideration of the productivity of the land, all these factors must have been at play in arriving at the rents fixed. Yes, the rates of rent must of necessity differ greatly in different areas.

Q. 54. This may happen in some cases, as such tenants have no capital to go in for a better class of land.

Q. 55. Even if all the zamindars and middlemen are removed re-adjustment of rent on an uniform basis throughout the province is an impossibility. Rate must vary in different localities for the same class of land according to custom, competition, price levels, nature of produce grown, etc. No new record-of-rights is necessary.

Q. 56. If a definite share of the produce or its equivalent in cash is paid, I would recommend 60 per cent. of the gross produce for payment and to the existing landlord or the State, as the case may be.

Q. 57. If the State limits its demand in perpetuity not only in theory but in practice and ceases to impose fresh taxation by way of cesses or agricultural income-tax or death duties, the current rates of rent now determined may be fixed in perpetuity. Otherwise the rates of rent should be re-examined every 15 years, as now.

Q. 58. No. A minimum income shall have to be exempted and the difficulties of collection will be many and much more complicated. A large proportion of land must escape assessment.

Q. 59. If there is any defect, it is on the side of leniency. The procedure for fixing fair and equitable rents is very rigid and needs no modification.

Q. 60. No. I do not. Even fluvial action has to be paid for in these days. The landlords pay the canal rates, where there are irrigation facilities. It is, also, equitable because there is reduction of rent, in case of deteriorations of land.

Q. 61. I do not object to such assessment, as the landlord has a share in the produce and has to pay increased indirect taxation and must make good his losses in the years of depression.

Q. 62. Yes, this makes no difference.

Q. 63. No. Selami is not an advance payment of rent. It represents the improved market value of the land to which the zamindars are entitled as proprietors of the soil.

Q. 64. Section 29 of the Bengal Tenancy Act provides against high contractual rents. The limitation of rents for new settlements is economically and fiscally unsound.

Q. 65. The time-limit for applications under sections 105 and 106 of the Bengal Tenancy Act may be extended to 6 months.

Q. 66. I do not know of any such case.

Q. 67. Yes, that may happen in many cases.

Q. 68. No.

Q. 69. If the Government enhanced rent of any raiyat during the years when prices were steadily going down and had gone lower than that of the prevailing rate during the currency of the present rent, it would be a mistake.

Q. 70. The rates may vary according to custom, competition and the nature of the produce grown.

Q. 71. I am not aware of any case where the Government has granted substantial remission of land revenue in the permanently-settled areas, in the years of distress and famine, on the conditions mentioned.

Yes, remission of revenue are very rarely granted. The reasons put forth by the Government are that the distress is not sufficiently acute and that remission of revenue would paralise the normal administration. A more liberal policy may be tried.

Q. 72. The average yield and cost of cultivation per acre of staple food crops varies according to local conditions. No uniform average for all areas is possible.

Q. 73. Yes. The absence of the modern scientific methods of cultivation, the want of manure and fertilisers, all these factors set the law of diminishing returns in operation. The steps taken by Government

for improving the methods of cultivation are inadequate and do not reach the country side.

Q. 74. The Bengal Land Improvement Act does not provide for loans for the redemption of old debts and consolidation of holdings. The summary process of realisation, high rate of interest and very short instalments under these Acts do not attract people to make extensive use of them.

Q. 75. Yes, probably because the areas are, now, fully developed.

Q. 76. Yes, I am not aware that any portion of selami is utilised in improving the agricultural condition of these lands.

Q. 77. The Permanent Settlement has caused subinfeudation and the laws of inheritance, and the Bengal Tenancy Act of 1938 have facilitated further fragmentation. The Bengal Tenancy Act shall have to be amended and the laws of inheritance changed.

Q. 78. The provincial Banking Enquiry Committee of 1929-30 estimated the average income of a raiyat (*a*) from his holding at Rs. 16 per annum and (*b*) from other sources at Rs. 8-8 per annum. Unless they are improvident, the majority of the raiyats can maintain themselves and their family from the income, provided the price of staple food crops is made remunerative.

Q. 79. Yes, I think it is satisfactory. The method in vogue in the United Provinces may be tried, if necessary, without any additional cost to the persons interested in land.

Q. 80. Yes, the following methods and a few others may be tried for increasing the income of the raiyats. A minimum price for the staple food crops must be fixed, by restricting the area under cultivation or any other means.

(*i*) The modern M. S. N. plough suggested by Dr. Clouston may be used. Rotation of crops. Cultivation of leguminous crops cowdung manure and modern fertilisers may be tried.

(*ii*) Yes, sale of cocoanuts, betelnuts, sericulture, cultivation of lac, poultry, fishing, sale of milk, rearing of goats and sheep may be tried.

(*iii*) Yes, hand-spinning of yarn, cane chairs and other handicrafts may be encouraged.

(*iv*) Yes, larger co-operative credit on easier systems of repayment and co-operative marketing and irrigation facilities may be tried.

(*v*) This may only be done by the co-operative societies. The breed of cattle and bull must be improved.

Q. 81. This may be one of the reasons. I cannot assess the percentage of surplus population.

Q. 82. Yes, that is one of the means. Late marriages, birth restriction, emigration, intensive system of cultivation are the other means of reducing the pressure of population.

Q. 83. Co-operative credit facilities are to be extended. The Government organisation is extremely meagre and cannot meet the requirements.

Q. 84. This may be a correct estimate. But there is no help for it, unless the Government sets up an alternative form of finance to meet the needs of all the agriculturists reformers may talk with implacent benevolence on paper but that will not help the raiyats.

Q. 85. The co-operative credit societies have not touched the fringe of the problem. The total agricultural debt of Bengal have been estimated at Rs. 100 crores but the loans supplied by the co-operative societies amount to about Rs. 4½ crores only. Yes, the rate of interest realised by the co-operative societies should be reduced if possible, to make the societies more attractive. Only about ·85 per cent. of the agriculturists are members of such societies. No society has succeeded in wiping out debts of its members. The percentage is nil.

Q. 86. Robbing Peter to pay Paul does not pay and is not a sound economic policy. In the words of Mr. H. P. V. Townend, C.I.E., "the tendency to defraud creditors is bound up with the working of the Act. Many applications came in from people whose chief object is to delay payment and who have no intention of settling their debts. Yes, rent be taken away from the purview of this Act."

Q. 87. Yes, it is good suggestion. But Land Mortgage Banks of the co-operative type may be more suitable and that may be grafted on to the existing Co-operative Central Banks. Long term loans will also have to be provided.

Q. 88. The Land Mortgage Banks are very few in number and are unable to cope with the collossal problem of agricultural indebtedness. There must be many more Land Mortgage Banks providing loans on cheaper terms.

Q. 89. Yes, the Bengal Tenancy Amendment Act of 1938 and the Bengal Agricultural Debtors Act of 1935 have made the procedure for realisation of rents more costly and still more cumbrous. It is harassing and expensive more to the landlords than to the tenants. I suggest that rent be taken away from the purview of the Bengal Agricultural Debtors Act and certificate procedure for realisation of rents be restored to the landlords.

Q. 90. Not necessarily, unless it is used in the time of distress or in seasons when there is no harvest. My suggestion is that Debt Settlement Boards be debarred from trying rent suits or rent decrees

or decrees for shares of the produce which should be tried by the Civil Courts only. The interests on arrears under the Public Demands Recovery Act should be reduced to 6¼ per cent. as in the Bengal Tenancy Act of 1938.

Q. 91. I do not support the repeal of the Bengal Regulations and replacement of them by a new Act.

Q. 92. Yes, the Revenue Sale Law may be amended so as to reduce the penalty on arrears to 6¼ per cent. maximum and the sales be made liable to be set aside on deposit of arrears and costs within sixty days.

Q. 93. The Bengal Tenancy Amendment Act of 1938 will tell adversely on the tenants and landlords alike. It is a device to benefit a class of statutory raiyats who have ceased to be the actual tillers of the soil and are in the nature of tenure-holders. Section 86A provide for abatement of rents on account of diluvion in the case of tenants but there is no such provision for abatement of patni rent or revenue in the case of patnidars and zamindars. The repeal of the sections 26D and 26E of the Bengal Tenancy Act and amendment of section 88 of the Bengal Tenancy Act of 1928 have facilitated the transfer of holdings to non-agriculturists and, still, further fragmentation. It has made the realisation of subdivided rents through Civil Courts unremunerative. The amendment of section 26G of the Bengal Tenancy Act of 1928 has resulted in the expropriation of the village money-lenders and has made rural credit illusory. The loss to the landlords' incomes on account of the abolition of landlords' fees may according to the Government statistics be estimated at Rs. 36·74 lakhs per annum on an average of the last 8 years up to 1936-37.

Reply by the Dacca Bar Association.

Q. 2. The property in the soil having been formally and solemnly declared to be vested in the zamindar by the Permanent Settlement, it necessarily carried with it the power of the zamindar to choose his tenants.

Q. 3. The phrase "economic development" is rather two vague. The notion of economic development as it existed in 1793 and for a century after that should not be confused with that now in vogue. The zamindars did their part in the extension of agriculture according to prevailing notions and we do not consider that they failed to perform the functions expected of them at the Permanent Settlement. They constructed roads, excavated tanks and have established hospitals and schools.

Q. 5. First part contains one of the valid grounds against the annulment of the Permanent Settlement. In a matter of legislation the question of a particular class of subjects being a party or not, can never arise, it must be presumed to have been done for the benefit of all and in fact, under the conditions then existing, the people as a whole were benefited by it. The apparent loss of revenue was taken into full consideration at the time and the advantages more than counterbalanced their loss. As a result of this measure good Government and order were restored in place of chaos and disorder.

Q. 6. Article VI of Regulation I of 1793 gives the avowed object. The expectation has been substantially fulfilled. Increase in the area brought under cultivation is due to the combined effect of the three causes mentioned.

Q. 7. The increase is due to the combined effect of the three causes.

Q. 8. The landlord's duty towards tenant is mentioned in Article VI as stated above: yes, the expectation has been substantially fulfilled. Except in very rare cases landlords and tenants remained in perfect amity till the present agitation was started recently by outside agency.

Q. 9. There had been substantial improvement according to existing ideas; "exert themselves in cultivation" is the language of the Regulation; the duty towards the tenants was mentioned in Article VI of the Regulation; the landlords have substantially carried them out. Absenteeism has been the result of changed conditions of living and changes in the system of Government and has, led in some instances to undue reliance on officers.

Q. 10. It was so, according to the conditions then prevailing in the country. It was beneficial to the province and never resulted in the advantage of landlords at the expense of the tenants.

Q. 11. These criticisms are unjustified and some of them without foundation: the tenants of khas mahals are worse off than those under the zamindars.

Q. 12. No.

Q. 13. We do not advocate any of these methods.

Q. 14 and 15. Do not arise.

Q. 16. The effect would be disastrous and will ruin not only the zamindar but also that great body of people, Hindus and Muslims, known as the middle class and will expose the tenants to harassment and caprice.

Q. 17. It assumes the abolition of the Permanent Settlement. The tenures should be kept intact, their purchase by the State will lead to no advantage to the tenant.

Q. 19. We do not think the raiyats would prefer. Khas mahal raiyats do not enjoy any advantage whatsoever.

Q. 20. *First part*—Yes. On account of the sense of security in the Permanent Settlement people wanted to invest money in land by tempting offers to the zamindar in the shape of salami, &c.

Second part—Creation of tenures has not adversely affected the position of the raiyats either economically or socially on the other hand it has greatly facilitated personal touch between the raiyat and the tenure-holder to whom he has to pay rent.

Q. 21. State purchase of tenures would be ruinous to the social and economic position of the province by wiping out the middle class consisting of Hindus and Muslims and by worsening the unemployment problem.

Q. 22. Homestead and khas lands should be left intact as at present; the criterion for ascertaining khas lands should be the same as now exists for determining khamar.

Q. 23. Similar rights enjoyed from earlier period.

Q. 25. We are not in favour of extending the principle to more than one grade of tenant. There are numerous cases where the occupancy raiyat, owing to various reasons, get his land actually cultivated by another; it is a disastrous principle to extend the right of occupancy to such "actual cultivators".

Q. 27. Permanent Settlement did not contemplate non-agriculturists.

No.

Q. 28. No reason: additional tax may be imposed.

Q. 29. Yes, on the increase. Due to insufficiency of the income derived from lands people are seeking other means of income making arrangements with bargadars for the cultivation of their lands.

Q. 30. The increase did not take place after 1929. No; (*iii*) is imaginary.

Q. 32. Right of occupancy should not be extended to bargadars. Their rights are being protected by contract and custom.

Q. 33. There is nothing economically wrong in the system.

Q. 34. It will have the immoral and uneconomical effect of taking away land of one person to give to another who has no right to it.

Second part—Yes, it will lead to that consequence.

Q. 35. Half the produce; no legislation is necessary; the matter should be left to agreement and custom and usage.

Q. 36. Generally 4 annas to 5 annas per day of 6/7 hours. Bargadars and under-raiyats have generally some lands of their own in occupancy right, hence they are generally better off than a mere agricultural labourer.

Q. 37. Yes.

Right of transfer is prejudicial to the cultivating class as a whole. We are not in favour of restricting transfer to agriculturists only besides it will be impracticable.

Q. 47. We do not think that permanency and fixity of rate of rent of tenants were contemplated by the framers of the Permanent Settlement.

Q. 54. *First part*—No.

Q. 55. No, it must be done on the basis of conditions existing in each locality.

Yes. It can be done by periodical tests in each locality.

Q. 56. One-sixth.

Q. 57. Should not be fixed in perpetuity but alterable according to the money value of the produce: needs of state should never be a criterion as it is too vague a term and besides the state has ample power to raise money by any means in times of emergency. Not less than 20 years for re-examination.

Q. 58. *Fist part*—No.

Second part—Yes.

Q. 60. No.

Second part—It is not fair.

Q. 61. No.

Q. 62. Yes; it will be impossible to distinguish such tenants, besides they share in the general improvement.

Q. 63. *First part*—No.

Second part—No. Salami.

Can't be called advance rent: it was a premium paid with the consent of both sides.

Q. 64. No; legislation curbing contractual rights or capacity is harmful.

Q. 66. We are not aware of it.

Q. 67. Yes.

Q. 71. Yes, but suspension is often allowed by sympathetic zamindars. Zamindars never enjoy remission of revenue. In khas mahals, the office practice and rules are unsympathetic. The rules can be improved by giving wider discretion to local authorities.

Q. 72. Yield—Jute—21-24 maunds per acre; Paddy—15-18 maunds per acre.

Cost—Jute—30 per cent. of the gross income; Paddy—15 per cent. of the gross income.

Q. 73. Yes, on the decrease: Lack of manure, non-rotation of crops on scientific basis and want of agricultural education.

Government have not taken any steps worth mentioning.

Q. 74. *First part*—Practically nothing.

Second part—The procedure is cumbrous and the people are uneducated and untrained to appreciate modern ideas.

Q. 76. Yes.

No portion is known to be utilized in improving the agricultural conditions of these lands by the Government.

Q. 80. To the means suggested in the question I shall add education with special reference to agriculture.

Q. 81. We think it is one of the main reasons.

Q. 82. Planned industries. State-aided large factories may be one of the means but not the only one.

Q. 83. Suggestions—

(1) Agricultural Banks.

(2) Co-operative Societies (Agricultural).

(3) Repeal of the Bengal Agricultural Debtors Act.

(4) Substituting the same by a simple Act fixing maximum rate of interest for 15 years, providing for opening the transaction in case of old debts and gradual payment thereof and giving relief by remission in suitable cases, and leaving ordinary Civil Courts to deal with and dispose these matters as speedily as practicable.

(5) Strict enforcement of law and order so that illiterate cultivators may not be inflamed with the idea that Court's decrees can be flouted or contract can be ignored with impunity.

No efficient organisation, in the modern sense of the term, Government or private exists, but the old village moneylender, controlled by a statute meant for both sides, can give substantial help.

Q. 84. We do not agree with the sweeping statement. It is forgotten that the agriculturists during the years of prosperity, vied with one another in getting money and paid them back gladly. The present situation arising out of acute all round depression can be met by a simple statute controlling rate of interest and allied matters.

Q. 85. Very little, rate of interest too high considering the present situation.

Have not benefited the agriculturists to any appreciable extent.

Q. 86. Debt Settlement Boards are rightly considered as machineries established for depriving money-lenders and landlords of their dues; it is full of defects. It should be repealed as it admits of no improvement.

Q. 87. May be tried, if they can be run on economic and self-supporting lines.

Q. 88. Practically nothing.

Q. 89. No.

No; it has now been very much simplified by the provisions of the Bengal Tenancy Act. Court fees on rent suits should be substantially reduced; at any rate no court fee should be charged on cess in claim.

Q. 90. Yes, as it is unsympathetic and has no personal touch as in the case of rent suit by individual landlords.

Suggest—

(*a*) Abolition or substantial reduction of court fees in rent suits.

(*b*) Establishment of Rent Court in each subdivision dealing only with rent suits.

Q. 92. Provision of compulsory sale without power of depositing money after sale under the Revenue Sale Law and Cess Act.

Q. 93. (1) Loss of money to the zamindar which he was used to get from a very long time.

(2) Incentive to tenants to transfer.

Oral evidence of the representatives of the Dacca Bar Association, on 8th March 1939.

PRESENT ON BEHALF OF THE ASSOCIATION.

(1) Mr. Monmohan Das.

(2) Mr. Satis Chandra Mazumdar.

In reply to the Chairman, Mr. Mazumdar said that in his opinion the Permanent Settlement has been for the benefit of both the landlords and tenants.

As regards the reply to question 8, he reiterated his view that the trouble between landlords and tenants has been due to outside agency. The Chairman quoted from the Government of India's Land Revenue Policy to show that Government considered tenancy legislation necessary because the raiyats were suffering from poverty and were oppressed and rack-rented by the landlords. Mr. Mazumdar replied that a few landlords might have acted in this manner but that was no reason for penalising all of them by making a sweeping generalisation. He considered that poverty is not a result of the Permanent Settlement. The cultivators in Bengal are better off than those in other Provinces and it is possible to help them without revising the existing land revenue system. The fixing of the revenue at the Permanent Settlement is a factor which has contributed in keeping down the level of rent in Bengal. It is true that legislation may have been necessary to safeguard the tenants' interests. Government reserved that right in the Permanent Settlement Regulations; but it cannot be said that the Permanent Settlement was for the benefit of one class only. The landlords certainly had the advantage of extending cultivation and deriving the profits therefrom.

Much of the land was covered with jungle at the time of the Permanent Settlement, and while the tenants may have had some share in reclaiming lands from jungle, he thought that the landlords have had the major share.

Explaining his reply to question 25, he said that the phrase "actual cultivators" is very vague and if it was intended that the phrase should include bargadars, then rights could not be given to them. Occupancy rights belong to a particular class of tenants who cannot in some cases cultivate all their land. If they have to introduce bargadars to help in the cultivation of their land, there is no justification for giving occupancy rights to the bargadars. He thought that it was not quite correct to say that there was a growing tendency for occupancy raiyats to become rent-receivers. It would be more correct to say that there is a tendency towards an increase in the barga system. One reason for this increase is that fragmentation of holdings compels raiyats to seek an extra income by taking land in barga. Fragmentation has led to some deterioration in the economic condition of the tenants. One means of improving their condition is co-operative agriculture; another would be to increase the yield of agricultural produce. He was in favour of Government carrying out a programme of agricultural development. He thought that if such a scheme were put before the country and the country were satisfied with it, the extra expenditure would not be grudged. He was in favour of abolishing the Bengal Agricultural Debtors Act and substituting for it a simple Moneylenders Act which would restrict the amount of interest. Many moneylenders to-day would be glad to get back their capital without any interest. The Act, as it stands, is only deferring payment. It has dried up agricultural credit, which is essential in some form or other. He was in favour of developing the co-operative system through Co-operative and Land Mortgage Banks so that money can be obtained at a cheap rate of interest.

Mr. Das said that one defect of the co-operative system is that tenants do not get loans at the time of their greatest need, i.e., at sowing and harvesting times. Since the Bengal Agricultural Debtors Act was introduced, no loans have been available from mahajans and Government has not supplied any credit to replace them. He mentioned that in Madaripur subdivision, about 10,000 tenants went to the Subdivisional Officer's bungalow and complained that they could not get any credit to carry on agriculture. People do not like the co-operative system because they have to take with them two or three sureties even for small loans. There must be a more practical method of granting loans.

Mr. Mazumdar said that the Amended Law provides sufficient facilities for landlords to realise their rent. The procedure provided in section 148 is adequate and he would only suggest a reduction in the

amount of Court-fees and the establishment of Rent Courts in subdivisions. He agreed that it is essential for rents to be paid punctually and that to allow them to fall into arrears is bad not only for the landlords but also for the tenants.

In reply to Khan Bahadur M. Hossain, he agreed that the Permanent Settlement took away no existing rights from the raiyats. He did not however agree that the zamindars had no power to choose their tenants. During the Muhammadan period the zamindars were in existence. That would be clear from authorities like Field. He did not agree that it is the view of Justice S. C. Mitter in the Tagore Law Lectures that the raiyats were proprietors of the soil before the Permanent Settlement. Justice S. C. Mitter was considering the early Hindu times, when, according to Manu, the soil belonged to the man who tilled it. He said that many grants were given by the Moghul Goverment to persons who became *de facto* zamindars and exercised all the rights of proprietors. He agreed that Field's Digest classifies the zamindars into three classes: feudatory chiefs, zamindars proper, and collectors of rent. He thought that Chiefs like the Maharaja of Burdwan had lost some of their rights by the Permanent Settlement. They should have been on the same footing as independent States like Cooch Behar. He did not agree that the landlords had done little to effect improvements and to develop their estates. He pointed out that in 1793, the idea of economic development was very differet from what it is to-day. He did not agree that landlords have started schools and hospitals only at district headquarters. It was not possible for him to give the percentage of landlords who have effected improvements; that is a matter of statistics.

As regards the last sentence of the reply to question 5, it could not be inferred from that reply that there was no order or good Government in the temporary-settled areas in other provinces; that was not the point. The preservation of law, and the development of a sense of security were the main reasons which prompted the Governor-General to make the Permanent Settlement, and the country then settled down to an era of peace and prosperity. In Bengal the situation prior to the Permanent Settlement was very acute and chaos prevailed.

In reply to a question interposed by Khan Bahadur Momin, he said that at that time zamindars were in charge of the administration, both civil and criminal.

Continuing to Khan Bahadur M. Hossain, he did not agree that the country is suffering on account of the Regulations, passed in times of necessity, whereby 80 per cent. of the rents is intercepted by landlords and tenure-holders. At the time of the Permanent Settlement, the Paramount Power thought that peace and security would ensue as a

result of this measure which would be for the benefit of the whole community. The possible financial loss was taken into consideration at the time and the percentage of the revenue was fixed at a very high figure. The extension of cultivation has not only increased landlords' profits, but has also been beneficial to the country, and this is due mainly to the landlords. He agreed that before the Permanent Settlement revenue was variable and was about nine-tenths of the assets. He did not agree that Lord Cornwallis considered only the interests of the East Indian Company; it is clear from all his writings at the time that he also considered the interests of the country.

As regards the reply to question 8, he mentioned electioneering propaganda, as an outside agency, responsible for the trouble between the landlords and tenants. There has been a regular agitation against the payment of rents. He agreed that in some cases landlords have relied too much on their officers to the detriment of the tenants.

As regards the reply to question 16, he said that in Bengal, the middle classes have developed to a much greater extent as a result of the Permanent Settlement than they have in other provinces. In other provinces, the middle classes were practically non-existent at the time when Bengal was developing her middle-class. He did not agree that other provinces are ahead of Bengal in industry. Bombay might be ahead, but not the other provinces. As a result of the sense of security derived from the Permanent Settlement, the people in Bengal have invested chiefly in land. Any change in the Permanent Settlement would be disastrous to the middle classes. He did not agree that because investment has been largely in land it can be said that the Permanent Settlement is responsible for retarding industrial development—that was also due to foreign competition.

As regards subinfeudation, he said there may have been some landlords who wanted to get rid of the trouble of collecting rents, but it could not be said as a general proposition that subinfeudation is due to this reason. He agreed that after a proprietor has granted a tenure, he ceases to remain in personal touch with the tenants. We knew of no case where tenure-holders had come in and had immediately enhanced rents. He agreed that the margin of profit of tenure-holders is smaller than that of zamindars, but did not agree that tenureholders have done nothing for their tenants. They are in closer touch with the tenants, and he knew of cases where they have started schools, etc. The smaller tenure-holders of course can do little as they are practically in the position of tenants.

Bargadars are almost in the position of labourers. The share of produce and the financing of agriculture is a matter of contract between the bargadar and the raiyat landlord. He did not agree that the raiyat landlords do not finance agriculture, because by giving their land to be

cultivated by the bargadar, they are contributing something. He did not agree that tenants who cultivate through bargadars are non-agriculturists.

Explaining the apparent discrepancy in the reply to question 37, he said that it would be impossible to distinguish between agriculturists and non-agriculturists in the matter of transfer, but he was not in favour of the unrestricted right of transfer, and suggested that some form of restriction, such as payment of selami, should be imposed. He was not in favour of reducing high contractual rents as it would be against the sanctity of contract. He thought that the main reason for the decrease in fertility is lack of agricultural education. He would have no objection if Civil Court process fees are reduced as well as Court-fees. He did not agree that tenants only sell their lands from sheer necessity; they also sell in order to get money for marriage ceremonies, etc.

In reply to Khan Bahadur Hashem Ali Khan, he agreed that Government should be for the greatest good of the greatest number and that in times of emergency, the well-to-do minority should make sacrifices for the majority. The economic condition of the cultivators is bad and social services should be improved. He thought that money will be forthcoming if any clear programme for the development of social services were put before the country. Administrative expenditure should be reduced to the minimum and Government should float a loan for its programme of development. No scheme, except the Primary Education Act, has ever been put before the country. He did not agree that the main source of lawyers' income is derived from landlords; the major portion comes from ordinary people including the tenants.

In reply to Khan Bahadur Momin, he agreed that Todar Mal's assessment was based on the produce of every bigha. Mir Kassim's assessment was also based on the jamabandi system. Murshid Kuli Khan attempted to do away with the zamindars for two or three years and tried to collect rents direct but his attempt failed. After the Permanent Settlement, the zamindars were given police duties and had to provide rations for troops. The above considerations do not lead to the conclusion that zamindars were officers of Government. Before the Permanent Settlement, they virtually exercised all the rights of proprietors and these were confirmed by the Permanent Settlement. He thought they were more "zamindars" than "officers". He has read Mr. Ascoli's Settlement Report of Dacca district. He did not agree that the report indicated the existence of bad feeling between the landlords and tenants generally though there may have been a few such cases.

He agreed that Government income would increase if the landlords and tenureholders were removed; but Government might as well raise money by forfeiting promissory notes. If the landlords and tenureholders were removed he did not think that litigation would necessarily decrease. It might be correct to say that much litigation is connected with land disputes, but litigation has continued in provinces where there is no Permanent Settlement. Even if the landlords and tenureholders are removed, there are other rights which will spring up and become the subject of litigation.

In reply to Dr. R. K. Mukherji he said that he is a member of the Executive Committee of the Dacca Bar Association and helped in drafting the reply to the questionnaire.

The level of rent in Dacca is about Re. 1 per kani (one kani is equivalent to ·33 of an acre); the average is thus Rs. 3 per acre. The outturn depends on the quality of land. Figures for outturn are given in the reply and he estimated the value of the gross produce at Rs. 44 or Rs. 45 an acre. The rent would therefore be 1/5th of the gross produce.

No additional assessment is made on a second crop. Rents are generally lump rents and enhancement suits in Dacca are rare. This does not necessarily mean that there is a tendency for rents to become fixed. The economic condition of the cultivators should first be improved by increasing the yield of agricultural produce. It might then be possible for the landlords to obtain enhancements and it would be for the courts to decide what would be fair rent. Over-population and fragmentation of holdings are the main causes of the present economic conditions. Other factors are the low yield and the absence of marketing facilities. Part of the sale-proceeds goes to middlemen and the tenants do not get the full value of their produce. All these suggested improvements can be carried out without altering the Permanent Settlement. The fall in prices is another factor affecting the economic conditions but he thought it more important to provide first of all for increased yield and marketing facilities. The tenants can get reduction of rent on account of fall in prices under the existing law. The tenants are inclined to incur debts unnecessarily. The object should be to educate them in thrift so that they will not incur debts except for essential requirements. Co-operative loans are not taken because it is difficult to get two persons to act as sureties. He was in favour of granting short term loans for agricultural purposes but thought that there might be difficulty if the crop failed, when the tenants would be unable to repay.

In Dacca cultivators are out of work for nearly six months in the year. During that period they make some income by plying boats and fishing. Cottage industries should certainly be encouraged. Dacca

Muslim is no longer made because foreign competition has killed it. The Co-operative Department introduced weaving in Dacca district and for some years it was successful. A national programme for the development of home industries should be undertaken. The conchshell industry is now hard hit; at one time it was in a flourishing condition and the Madras Government supplied lakhs of rupees worth of conch-shells. He thought that weaving is the most suitable home industry.

In reply to Sir Frederic Sachse he explained that when he advocated agricultural credit for the "cultivators" he referred to raiyats, under-raiyats and bargadars. The great majority of bargadars have raiyati lands and supplement their income by barga cultivation. They could therefore borrow on the security of their raiyati land and on their share of the barga produce.

Sir Frederic Sachse pointed out that land mortgage banks will not lend money to any one who has not a complete occupancy right in the land. Mr. Mazumdar agreed, but said that most bargadars have also got raiyati land. He thought that many tenants are in a position to repay their debts but are hanging back.

As regards his proposal to have a simple Moneylenders Act, he said he was in favour of leaving it entirely to the Civil Court to decide what instalments should be given and who should be adjudged insolvents. Debt Settlement Boards are only a means of deferring payment. The Bengal Agricultural Debtors Act is cumbrous and cannot be properly worked. The existing occupancy raiyats derive their rights partly from the old khudkasht raiyats, but in more modern times he agreed that the tenants have to pay a premium for getting settlement of lands in raiyati right.

In reply to the Maharajadhiraja Bahadur of Burdwan, he said that under section 52 of Regulation VIII of 1793 the words "remaining lands" refer to the uncultivated and waste lands at the time of the Permanent Settlement, and the meaning of the words "to let" is that the zamindars had full power to settle such lands. The Permanent Settlement thus gave full powers to the zamindars to choose their tenants. He thought that in Dacca division, the expectations of the Permanent Settlement Regulations have been fulfilled. He thought that the imposition of a tax on non-agricultural land would not be a breach of the Permanent Settlement. In such cases the land has ceased to be agricultural. There has been a Privy Council ruling, in which the point was discussed, and the decision was that the Permanent Settlement does not exempt landlords from the general scheme of taxation. To tax such lands might however be against the spirit of the Permanent Settlement. He would not support State-landlordism as opposed to private landlordism unless he was certain that the scheme for improving the economic conditions of the country would be carried

out; in any case, he was against the abolition of the Permanent Settlement. He thought that some cottage industries could be revived and weaving which had been successful in Dacca, would be most beneficial.

He was not in favour of granting certificate powers to landlords. His experience is that it is mechanical and operates harshly on the tenants. Civil suits take longer, but can be amicably settled. He agreed that the abolition of the Permanent Settlement would wipe out the middle classes and bring about a social revolution.

In reply to Mr. B. K. Roy Chowdhuri he agreed that many estates were put up to revenue sales after the Permanent Settlement but he thought this was due rather to the stringent sale regulations than to the high assessment of revenue. He also agreed that for many years after the Permanent Settlement zamindars made no profit from their estates and in some cases they were a losing concern. He would not regard the subsequent increase in zamindars' income as unearned income.

In reply to the Secretary he said that he thought khas mahal tenants are worse off than tenants in permanently settled areas because there is not the same personal touch between the landlord and his tenants and because tenants in khas mahal estates do not get remission and suspension of rents to the same extent. He agreed however that, nowadays remissions may be given in khas mahals. He did not know whether there is a regular programme for improvements in khas mahals.

In some cases civil suits have been disposed of more speedily as a result of the amended legislation.

He considered that the cost which a tenant has to pay in civil court procedure is not more than that payable in certificate cases as tenants frequently engage lawyers to defend them before Revenue Courts.

Reply by the Dinajpur Bar Association.

Q. 1. We do not agree that the objects of the Permanent Settlement have been correctly stated.

Historically, in our view, the main object of the Permanent Settlement was the consolidation of British power in Bengal.

The description of the duties and obligations of the zamindars are not exhaustive. The authors of the Permanent Settlement expected that the main duty of the zamindars would be to give loyal support to all acts done by the officers in charge of the administration of the country.

We do not think that the Permanent Settlement took away any existing rights of the tenants.

Q. 2. The Permanent Settlement recognised the proprietary right of the zamindars to the soil. The right to choose tenants is dependent upon the proprietary right.

But it does not follow from the above that the Permanent Settlement conveyed this power to the zamindars.

Some of the big zamindars of Bengal exercised the rights of semi-independent chiefs before the advent of the British. These zamindars were the absolute owners of the soil. It is difficult to say what the rights of the small zamindars and talukdars were. But it seems the tenants were completely at their mercy.

As regards the right to regulate the usage of the land to the economic interest of the province, we do not think there is any reason to suppose that the Permanent Settlement conveyed this right and the zamindars had no such right from before the Permanent Settlement.

Q. 3. The landlords have played some part in the economic development of the country by excavating big tanks for irrigation purposes and for supplying drinking water to men and cattle, also by helping tenants by giving them loans of money and paddy on easy terms, by making free distribution of paddy and rice amongst the poor tenants during scarcity and by such other means. They have also made large contributions for establishment of hospitals and educational institutions. They have also made rent-free grants for the maintenance of religious institutions and meritorious persons. They have made temples and mosques, debattar and waqf properties, brahmottar and pirpal tenures. These acts also led indirectly to the economic development of the country.

They failed to perform the functions expected of them chiefly, we think, owing to their anxiety to please the Government officials in various ways necessitating a constant demand upon their purse.

Q. 4. The zamindars exercised the powers of actual proprietors for all practical purposes, although the term actual "proprietors" might not be strictly applicable to them in the English sense. They were not mere collectors of revenue before the Permanent Settlement.

Q. 5. We do not subscribe to the view indicated in this question. In our opinion the question of a solemn pledge does not arise, or at any rate, is not very material. In the year 1793 the East India Company entered into a contract with the then zamindars in order to facilitate the realisation of revenue. The then zamindars were in direct touch with the tenants and the East India Company which was a trading company and anxious to ensure the easy realisation of revenue, entered into a solemn contract fixing the revenue of the zamindars permanently. The tenants do not by any means enter into this picture at all. With the gradual growth of political consciousness of the people and the demand for Swaraj the administration of the country is gradually passing into the hands of the representatives of the people and the feeling is growing that whatever might have been the condition of things when the Permanent Settlement was made, the same state of things does not exist now and the policy followed by the Britishers so far back as 1793 when they were attempting to get a firm hold of the country, cannot now be tolerated. The peoples' representatives who have taken up the reins of administration now rightly feel that as there has been a great rise in the earnings of the zamindars since 1793 there is no reason why the State will be deprived of a share of this increase. Lord Cornwallis as Governor-General issued a proclamation to the zamindars. The people of the country had no voice whatever in this transaction. The right of the British people to hold sway over the people of this country is now disputed. Naturally, therefore, the acts done by the Britishers to get a permanent footing in this country as the Paramount Power is also disputed. We do admit that the Permanent Settlement has crippled the financial resources of the country to a considerable extent by depriving the State from having a share of the unearned increment of the income of the zamindars.

Q. 6. The zamindars have been and are enjoying the fruits of their management. It is difficult to say whether the expectation of the authors of the Permanent Settlement has been fulfilled and if so to what extent.

The large increase in the area brought under cultivation is, in our opinion, due to all the three circumstances mentioned in the question.

Q. 12. There are really two questions—

(1) abolition of the zamindary system including the abolition of all middlemen between the actual cultivators of the soil and the State, and

(2) abolition of the permanent settlement of land revenue fixed in 1793.

As regards the abolition of the zamindari system, we have considered the points advanced against it but we are of opinion that the zamindari system cannot be abolished on account of the following reasons:—

(1) A tremendous revolutionary change in the land revenue system of the country is not called for.

(2) The abolition of the zamindari system including the abolition of all tenures, under-tenures, talukdari, jotedari and other subordinate tenures, will result immediately in depriving a very large number of people of rights which they have acquired by the investment of large sums of money and which they have enjoyed from generation to generation.

(3) The majority of the middle class people of Bengal, both Hindus and Mussalmans, will be deprived of their means of subsistence.

(4) A very large number of people will be thrown out of employment and the most vexed question of unemployment will be tremendously increased.

(5) It is the middle class of Bengal that has contributed to the cultural, economic, religious and social development of the country and it is this class which is responsible for the growing political consciousness of the people. The principal means of subsistence of this class is land. To deprive this class of people of land will mean their extinction. We oppose this.

(6) As a result of the zamindari system debattar and waqf properties have been created and brahmattar, pirpal and other grants have been made, which cannot be abolished without bringing about disastrous consequences.

The above are some of the main objections. There may be others.

As regards the abolition of the Permanent Settlement we are not in favour of the idea. We do favour the view that the zamindars are paying land revenue to the extent of about 3 crores, while the raiyati assets come up to about 12 crores and leaving a sufficient margin for collection charges, etc., the zamindars are making a profit of about 7 crores of rupees, more or less. The State is getting no

benefit of this increase in the raiyati assets and it is just and fair that the State should have some share of this increase. This however can be accomplished by the imposition of income-tax on the income from lands. The tax will not touch the poor people as the minimum assessable income can be fixed by taking all circumstances into consideration. This method will not necessitate the solution of the most vexed question of giving compensation to zamindars and tenure holders in the event of their right being purchased by the State. There is no reason why the State will take such a heavy liability which may permanently cripple the financial position of the State. In Bihar income-tax on agricultural incomes has been imposed. Of course the amount should be earmarked entirely for the economic improvement of the agriculturists.

Q. 28. Lands used for homestead and lands used for other purposes on which permanent structures have been built should have the same fixity of tenure as of agricultural lands. The right to eject the tenants from such lands at the sweet will of the zamindars should be abolished. Enhancement of rent of such lands should not be arbitrary but subject to rules laid down by the statute as in the case of agricultural lands.

Q. 33. The barga system is economically sound in this sense that poor people who have no means to acquire lands earn their living by this system. They merely supply the labour.

The capital is supplied by the owner of the jote. The bargadar gets a share as a price of his labour. He has no interest in the land. He is not a tenant and the question of granting occupancy right to him does not arise.

One-half of the total produce is a fair proportion for the bargadars.

Q. 37. Passing of agricultural holdings into the hands of non-agriculturists cannot be prevented.

Q. 38. If by economic holding is meant one which is considered sufficient for the maintenance of a family consisting of say 5/6 members, consisting of a man, his wife and 3 children, we think that the requirements of the family can hardly be met entirely from land which one man can cultivate himself. The quantity of land which a man can cultivate with one plough is generally between 12 to 15 bighas which is technically called one 'hal' of land. But the produce of one 'hal' of land is not sufficient to meet the requirements of the whole family. There must be a subsidiary income. The main question therefore is how to increase the income of the agriculturists by employing them in home industries. They are not employed on land all the year round and they can certainly make some earning during idle hours. If this is not provided for, the economic condition of the peasantry cannot be improved even if the holdings are made rent-free.

Q. 46 to 71. These question relate to the subject of fixity of rent, enhancement of rent and reduction of rent.

One hundred and forty-five years have passed since the time of the Permanent Settlement. We are not aware that there are any records to show what were the rates of rent prevailing at the time in the different zamindaries.

Enhancement has been made by contract and on the ground of the increase of area of the holding. It is difficult, nay impossible, to get at the state of things existing at the time of the Permanent Settlement.

Besides, the question of reduction of raiyati assets and appropriation of a certain share of the increased assets cannot go together. The State requires money. A portion of the increment in the assets can be utilised for State purposes. A general and wholesale reduction cannot therefore be contemplated.

Q. 80. We generally agree with the suggestions made.

Q. 82. We don't advocate large factories but we are in favour of cottage industries to give employment to agriculturists.

Q. 87. We think that Government should establish agricultural banks in every union.

Q. 90. Yes—harassing—reasonable time ought to be given to the tenants to make payments of rents.

Reply by the High Court Bar Association.

Q. 1. This Association generally speaking does not desire to deal with questions which are mainly enquiries as to past history of the land revenue and tenancy legislation of this province. So far as that history is clearly and definitely known this Association does not think it need deal with them. So far as that history is doubtful and controverted this Association is of opinion that any answer would not turn so much on historical truth and accuracy which it may be difficult to establish satisfactorily but on sympathies of people on one side or the other. But this Association takes this attitude principally for the reason that it does not think that this past history should to any considerable extent affect the present policy of the land revenue and tenancy legislation. This should depend almost exclusively on what may be necessary and beneficial to the nation at the present time and in near future.

Q. 2. (*i*) It is difficult to feel sure what the statement really means. Certainly 80 per cent. of the total produce of the land does not go to the zamindar. If the statement means that 80 per cent. of the rent paid by the cultivating raiyats goes to the zamindar the Association is not sure about the percentage. But it is clear that between the zamindar and the middleman is absorbed a very high percentage of the rents paid by the raiyats.

Therefore the Association does not think that this criticism if it really means what it says is justifiable.

(*ii*) The Association is of opinion that as a natural result of the security given by the Permanent Settlement against enhancement of revenue it would have a tendency to encourage to subinfeudation. But this Association does not think that this is the only cause of subinfeudation of tenancies in the province.

(*iii*) The Association does not think that the permanency of the revenue demand by the Government has led to enhancement of raiyati rents. It is difficult to see why the Permanent Settlement should lead to that effect. *Prima facie* the effect would be in the contrary direction. The expectation expressed in paragraph 6 of the Permanent Settlement Regulation as to the effect of "the public assessment being fixed for ever" on the demands of the zamindars and the raiyats has to a certain extent been realised. In any event the Association thinks that the pressure on the raiyats would have been far greater had the land revenue demands been not fixed as made by the Permanent Settlement.

The Association is of opinion that this criticism is not justifiable.

(*iv*) If by a system of overlordship is meant subinfeudation of tenancies it is true as already pointed out in answer to (*ii*) but mere subinfeudation would not have any appreciable tendency in increasing the harassment and oppression on the actual cultivators.

If the question really means that the zemindary system, permanent or temporary, is harassing and oppressive on the cultivators because they have a landlord of their tenancies, the question is not capable of a simple answer. The cultivators at the time of the Permanent Settlement being poor and unorganised did suffer acts of harassment and oppression in the hands of many of their landlords.

But this harassment and oppression had nothing to do with the Permanent Settlement of the land revenue. The Association is definitely of opinion that had the Settlement been temporary the harassment and oppression would have been far greater. The Association is not sure that here there is not some confusion between the zamindari and the Permanent Settlement.

Q. 12. The abolition or otherwise of the Permanent Settlement is a matter to be judged by considerations more fundamental than the ground set forth in question 11.

Q. 13. The Association thinks it quite clear that as a result of the Permanent Settlement the zamindars absorb a large percentage of the rent paid by the raiyats. If to the income derived by the zamindars be added the profits derived by the middlemen from the rents paid by the raiyats the percentage of the raiyati assets absorbed by the zamindars and the middlemen would be considerable. The Association cannot be sure as to the exact amount thus intercepted.

Of the three methods suggested for increasing the revenue of the State by taking to itself a larger proportion of the raiyati assets than at present the Association is of opinion that the only course which would be wise and practicable is the third suggestion, viz., the imposition of a tax on agricultural income. The Association is of opinion that the method of income-tax on agricultural income in order to be workable and just should be a tax on all agricultural income above a certain minimum figure which would exclude actual cultivators of poor and moderate income but would include the zamindars and prosperous middlemen and those who would go in for farming on a large scale, as also cultivators making income above the specified minimum.

The Association thinks that the adoption of even this third course at the present time and under the present conditions will be an extremely hard and onerous burden upon the zamindars, the tenure-holders and prosperous cultivators to bear.

The Association further thinks that the adoption of even the third course in near future will inevitably and automatically lead to the abolition of the zamindari system which the Association would deeply regret. So far as the cultivator is concerned the system of agriculture prevalent at the present time is merely a bread-earning proposition with him which is insufficient or barely suficient to keep him going living from hand to mouth. If the zamindar is squeezed out and the cultivator starves the question of the tenureholder may be left out of account.

The Association is of opinion that the adoption of this third course should therefore be deferred for at least such a period as would be necessary to improve the system of agriculture by adoption of scientific methods, and improvement of irrigation, and financial credit of the cultivator with funds supplied if necessary by the State from resources other than land revenue. After this period it is hoped that the zamindar, tenureholder and the cultivator will be in a position to bear the burden of an additional tax which the State will be in a position to utilise for the improvement of the province.

As regards suggestion (1), viz., the total abolition of the zamindari system the Association is opposed to such a course at the present moment. The chief reason which weighs with the Association is the present condition of the agriculturists of Bengal. They are so illiterate, poor and unorganised that direct settlement with the State which could only be worked by innumerable petty Government officers would lead to acts of oppression against which the cultivators would be more helpless than at present with their dealings of the officers of the zamindars. The Association is of opinion that the cultivators should be made literate and more organised before they are brought in direct contact with the State. If and when income-tax is levied on agricultural income it is hoped that a considerable portion of the money realised by the State should be spent for the education and organisation of the agriculturists.

As regards the second suggestion, zamindari settlement with temporary land revenue is a measure to which the Association is definitely opposed. The evils of such a system are well known and in fact constituted one of the reasons for substitution of the Permanent Settlement in place of temporary settlement. Such a system would inevitably lead to oppression of the agriculturists.

Q. 25. The Association is of opinion that the tenant actually cultivating the soil, however low his position might be in the hierarchy of tenants, must have occupancy right secured to him. The proposal of confining such occupancy right to such cultivators only is one of great practical difficulty. A person may begin by actually cultivating his tenancy and properly becoming an occupancy raiyat and then

ceasing to cultivate it either wholly or in part by letting out to another raiyat. An attempt to deprive him of occupancy right in the whole or part of his tenancy would require a complicated legislation and may lead to profitless litigation.

The Association is therefore of opinion that occupancy right should at least be given for the present to more than one tenant.

Q. 26. It is the difficulties of legislation and its practical working which this question indicates has led the Association in answer to question 25 to suggest that occupancy right should be granted to more than one grade of tenants.

Q. 27. The Association cannot find anything in the Permanent Settlement Regulation on which any definite opinion about the intention of the Regulation on the matter can be based.

But the Association thinks that occupancy, i.e., non-ejectable right should be given to tenancies of the nature enumerated in the fourth exception of section 37 of Act XI of 1859 (the Bengal Land Revenue Sales Act).

Q. 28. There is no reason why protection to cultivators should persist in land converted for non-agricultural purposes except the practical difficulty of getting rid of tenancy right originally purchased or acquired. But the Association thinks that additional tax should be levied on such converted holdings and the basis of the taxation should be the then market value of the land.

Q. 29. This is a matter of statistics. The Association has not materials on which it can definitely say whether the number is really on the increase or not.

Q. 30. If as a matter of fact the number of bargadars, etc., is really on the increase; the factors mentioned in (*i*), (*ii*) and (*iii*) would logically have a tendency to contribute to such increase. The question of deciding in what proportion the supposed increase may have been caused by these factors is a matter of still more difficult statistics and the Association is not in a position to give any opinion.

Q. 31. The Association does not think that the first part of the question is capable of any definite answer as the area held by different bargadars varies enormously.

The Association is not in a position to say whether the majority of bargadars hold also raiyati or under-raiyati tenancies but undoubtedly many bargadars do so.

Q. 32. The use of the term "bargadar" is not free from ambiguity.

When a person allows another to cultivate his land in return for a share of the crops contributing nothing to the production of the crops he is merely a landlord of the land and receives the agreed share of the crops merely because he is the owner of the land. Though this is really letting out the land to a tenant at rent in kind this system is sometimes caled barga. The Association thinks that in these cases the reality should be recognised disregarding the name, i.e., the so-called bargadar should be recognised as a tenant and right of occupancy and other rights of a tenant should be extended to him and right should be given to either party to have the rent commuted to money.

The barga system is properly so-called when the person owning the land contributes some other factors to the production of the crops than merely the supply of the land, e.g., contributing the seed or the plough and the other costs of cultivation in whole or in part. In such cases the system should really be looked upon as a partnership between the owner of the land and the bargadar for the production of the crops. Having regard to the backward and unscientific condition of agriculture in our province and also to the illiteracy and proverty of the actual agriculturists encouragement should be given to such partnerships for actual cultivation and production of crops as would invite or at least make possible for men with means and intelligence to join with actual agriculturists for production of crops. In such barga cultivation the respective rights of the parties should be regulated by the law of partnership modified so far as may be necessary for the protection of the parties.

Q. 33. In answering question 32 the Association has already expressed its opinion that the so-called barga system which is really a name of tenancy with rent in kind has no economic foundation whereas the genuine barga system, viz., partnership for production of crops is economically sound and deserves extension.

It has already been pointed out the first class of so-called barga system should be abolished by making bargadar a tenant in all respects.

Q. 34. In answer to question 32 the difficulties raised in this question have already been met. The Association thinks as already pointed out that distinction should be realised between two actually different systems going under the common name of barga. When that distinction is realised by an appropriate legislation made for two different kinds of relations no difficulties would remain unsolved.

Q. 35. With respect to what has been called previously so-called barga there is no reason why generally speaking such bargadars who are really tenants pay more than usual rents for such lands.

With respect to barga in the sense of partnership as explained above it may be necessary to lay down principles on which profits are to be

divided between the respective parties. Obviously the proportion would vary considerably according to the nature, terms and other conditions of cultivation.

Q. 36. So far as it is a matter for statistics the Association has not got sufficient materials for any satisfactory answer. But it desires to point out that wages of agricultural labourers vary very considerably in different years and in different parts of the province and it may not be possible after all to make any satisfactory comparison with the position of bargadars and under-raiyats.

Q. 37. Right of unrestricted transfer given to agriculturist must as a matter of course lead to the passing of some raiyati lands into the hands of the non-agriculturists. Whether as a matter of fact as the result of the Act of 1929 considerable areas have so passed cannot be determined without actual statistics. But the Association desires to point out that previous to the Act of 1929 non-transferability of raiyati holdings only meant transferable with the consent of the landlord and that consent could with very few exceptions be purchased by payment of nazar to the landlord. Instances of landlord not recognising the transferee because the latter was a non-agriculturist did not occur possibly in one instance out of one thousand. The Association therefore does not think that the law in force before 1929 was a bar to raiyati lands passing to the hands of the non-agriculturists or that the Act of 1929 as also the Act of 1938 have made that tendency to any extent greater than in the past.

The Association is of opinion that it is not now possible to take back the right of unrestricted transfer given to the raiyati or that any such attempt would be wise or politic. The Association further thinks that it is neither desirable nor practicable to restrict the transfer to the agriculturists. This will only lead to a restricted market and hence inadequate price to the needy raiyat. The remedy, so far there is any, is always to secure occupancy and other rights of a tenant to the actual cultivator to whom the non-agricultural purchaser lets out the land for agriculture.

Q. 42. The Association thinks that in the present stage of agriculture in our province scientific cultivation of large areas under one control should be encouraged and at present it is not necessary to put any restrictions to the maximum limit of such areas.

But if the evil which is indicated in the question means that raiyati holdings would be acquired by one person not for the purpose of large scale scientific farming but for merely using the land as landlord and at the same time depriving the actual cultivators of the rights of a tenant the Association thinks, as already pointed out in answers to questions 25 and 32, that the remedy lies in giving right of occupancy and other rights of a tenant in all cases to the actual cultivator.

Q. 43 and 44. Coparcenary by leading to fragmentation of agricultural tenancies is certainly detrimental to good cultivation. But the Association does not think that any practical remedy can be given by mere legislation. The real remedy is to demonstrate to the cultivators the beneficial effect of cultivation of economic holdings. The Association thinks that if such demonstration be convincing the cultivators themselves would be willing to provide themselves with such economic holdings on voluntary basis. In such condition special facilities may be provided for consolidation of holdings by exchange or otherwise as contemplated in question 41.

Q. 45. The Association thinks that the question really means "arrangement for collection" by a common agency. A tenant is not bound unless he has agreed to do so to pay rent separately to co-sharer landlords. The tenancy is one so far as he is concerned and he is only bound to pay the whole rent jointly to all the co-sharer landlords.

This necessarily compels the co-sharer landlords to arrange for collection of rent jointly.

If the question implies that the tenants' contract to pay rent separately to the co-sharer landlords should not be made binding on them and that all separate collection of rent by co-sharers which obtains at present should cease, the Association does not think that there is any evidence of the evils of such separate collection being enormous and past contracts by tenants should be interfered with.

Q. 46, 47 and 48. I. If by the term "contemplated" used in questions 46 and 47 and by the term "meant" used in question 48 what is asked is a question of the legal interpretation of the Permanent Settlement and connected Regulations the Association thinks that it is not possible according to ordinary canons of legal interpretation to deduce the conclusion that the Regulations legally barred the rights of the zamindars to enhance the rents or rate of rents payable by tenants at the time of of the Permanent Settlement. For if that was the intention meaning thereby intention expressed or necessarily implied by the words used of which only law can take notice nothing would have been easier to say so definitely in the Permanent Settlement Regulation itself. On the contrary the language of Article 6 of the Permanent Settlement Regulation by expressing "hope and expectation of the Government, of the good faith and moderation of the zamindars towards the tenants" is not consistent with legislation in bar of enhancement of the rents then being paid. Further when Article 6 speaks of the benefit to the zamindars of enjoying "exclusively the fruits of their own good management and industry" it does not appear that it was excluding the idea of getting more as rent from lands already let out to tenants.

Article 7 of the Permanent Settlement Regulation reserves the right of the Government to make laws "for the protection and welfare" of the various grades of tenants. That right of the Government was expressly reserved as the Article itself says "to prevent any misconstruction of the foregoing Articles". This is a reasonably clear indication that the Permanent Settlement Regulation itself did not by its own provisions secure the rights of the tenants to hold at the rent or rate of rent at which they were paying at the time of the Permanent Settlement.

Subsequent legislation providing for restrictions against enhancement of rents at the discretion of zamindars proceeded not on the footing that by demanding increment of rent zamindars were violating any terms of the Permanent Settlement but on the footing that the Government was exercising the right for protection of the tenants which it reserved in the Permanent Settlement Regulation itself. There is nothing clear and undisputed to show that view of the Government in its subsequent legislation was wrong.

From section 6 or section 50 of the Bengal Tenancy Act which came into the Act from sections 3 and 4 of Act X of 1859 it will be unreasonable to conclude that the legislation made the rent paid at the time of the Permanent Settlement unalterable because the rent was unalterable at the date of the Permanent Settlement. The alternative view is the more reasonable, viz., that rent which has remained unalterable for such a long period should not be allowed to be disturbed. Indeed it is an application of the same principle by which a contract for fixity of rent at the origin of the tenancy is presumed from payment at an unalterable rate from a long time. As a matter of fact it was merely a legislative device for securing fixity of rent to old tenancies held at an unaltered rate. The presumption of the continuance of the tenancy from the Permanent Settlement from only twenty years' occupation at an unaltered rate was obviously one not of logic but of legislative policy.

II. If the questions ask what the framers of the Permanent Settlement Regulation hoped and expected as a result of their policy the matter is entirely historical and in accordance with the view already expressed at the beginning of its answer to the questionnaire, the Association does not desire to discuss the matter. But it wishes to reiterate its view that it is not worthwhile by settling questions of disputed history that the present policy of agrarian legislation of Bengal should be settled. It should depend to some extent on the existing law on which the expectations and anticipations of the present generation of landlords and tenants are based and to a very large extent on what is required by the necessities of the present and future welfare of the country as a whole.

Q. 49. The Association thinks that in discussing and settling the question of the proper and reasonable rent which the tenant should pay at present it is irrelevant to consider the "intention of the framers of the Permanent Settlement". The question itself in its various parts sufficiently indicates the impracticable nature of going back to the Permanent Settlement for the purpose of adjusting the rents payable by the tenants at the present time. The grievance which the tenants may feel as to their rate of rent relates to the pressure which they feel at the present time, viz., an economic grievance and not the historical grievance that the rent which was really unalterable at the time of the Permanent Settlement has been since altered against the provisions of that Settlement.

The last part of the question is better answered in connection with the answer to some of the latter questions especially questions 52 and 56.

Q. 50. Already dealt with in reply to questions 46 to 48.

Q. 51. The Association does not think that there is any solid foundation for the supposition. But it is further of opinion that the question of rate of rent to be paid at present of what was waste land and what was tenanted land at the time of the Permanent Settlement should be answered from the same point of view of what is fair and equitable at present. There should be no distinction in the question of rent at present fair and equitable on the ground that the land was tenanted or not tenanted at the time of the Permanent Settlement.

Q. 52. The Association thinks that the following principles should be applied in determining fair and equitable rent in Bengal:—

(I) The rent should not exceed a proportion of the price of the crops (taking average of a fixed number of years) minus the cost of cultivation (taking an average).

(II) The rent so fixed will be liable to enhancement by a suit on the grounds indicated in section 30(*b*), (*c*) and (*d*) of the Bengal Tenancy Act subject to the rule of proportion stated in (I).

(III) Any further readjustment of rent due to agricultural prosperity or the necessities of the State should be left to future which can be expected and hoped to be a distant future.

Q. 53. So far as one can see the present current rent started from a sort of customary rent and has been affected, considerably in some parts of the country, by competition depending on the great demand for land growing crops of high money value.

On whatever area basis rent might have been fixed at the origin, at the present time the majority of rents are treated as lump rents when they come before courts of law.

The Association thinks that though there might be exceptions for special reasons the rates are practically the same for lands of similar value in the same locality.

Q. 54. If it is a question of first settlement it does not appear that poorer and weaker tenants would take settlement at a higher rent than the richer and the stronger ones. Rather the contrary would seem to be the case. But it is possible and is probably the fact that when the landlord tries to enhance the existing rent the poorer and hence weaker tenants are more easily induced to agree to enhancement than the richer and therefore the stronger ones.

The factors mentioned in question 53 have really fixed the existing rents in Bengal. But these factors have varied considerably according to economic and other circumstances.

Q. 55. The Association would recommend the adjustment of rent in the line of the principle mentioned in answer to question 52.

The Association does not think that the readjustment could be entertained without an enquiry undertaken for this purpose.

Q. 56. As regards question 56, I would like to fix the proportion half and half instead of $\frac{1}{3}$ and $\frac{2}{3}$.

Q. 57. This question has already been answered in reply to question 52. *See* answer (*iii*) to that question.

Q. 58. It seems that the question assumes the abolition of the zamindari and the subordinate tenures leaving the State to raise revenue from agricultural lands directly from cultivators. The Association in its answer to question 13 has already given reasons why at present it cannot recommend such abolition and therefore it does not think it necessary to discuss this question. But it desires to point out that apart from the consideration indicated in the second part of the question the elaborate enquiry which would be necessary every year to find out the assessable income of each agriculturist, the majority of whom are illiterate and incapable of filing a proper return, would make the whole scheme impracticable and oppressive if sought to be introduced in the present state of the country.

Q. 59. The question is very general in its character and is really particularised in questions 52 and 60 to 64. The answer of the Association to this question is to be gathered from its answers to the questions abovementioned.

Q. 60. In answer to question 52 the view on which the Association has proceeded is that the benefit of all unearned income should go to the cultivator and that therefore there should be no enhancement of the rent except on the ground that the productive powers

of the land have been increased wholly or partly at the expense of the landlord. In expressing that view the Association has been guided by the consideration that it is the cultivator who is the sole instrument in production of wealth from the land and his economic status is the worst of all. The Association took no notice of the hope held out to the zamindars at the time of the Permanent Settlement that they would enjoy the benefit of improved agriculture which did not necessarily mean improvement at their own expense. If it is considered reasonable that even under the present conditions the hope held out at the time of the Permanent Settlement should receive consideration, the proper course will be a proportionate division of all unearned increment including that which results from fluvial action between the landlord and the cultivator raiyat with perhaps some weightage in favour of the cultivator in consideration of his poverty and the exclusive producer of the wealth from that.

The question of "fairness" or otherwise in such matters depends to what is the standard of fairness to be applied. If it is only meant fair according to existing law it has no particular meaning for under the present law he does not get all the benefit. But if the standard of fairness is the remuneration of labour there appears to be nothing unfair in giving the cultivator the entire benefit considering the small return which he gets from his labour and the fact that he alone does everything to raise crops of the land.

Q. 61. The answer of the Association to question 60 indicates its view with regard to question 61. Rise in prices is an unearned income and the same considerations which would apply to enhancement of rest on the ground of fluvial action will also apply to enhancement of rent for rise in prices.

Q. 62. The kind of consideration suggested in this question in determining the enhancement of rent is impossible of practical application.

Q. 63. The policy should be to adjust rents throughout the province on reasonable basis having regard to the necessities of the cultivators and requirement of revenue by the State. Under these conditions if some rents have to be enhanced on application of what is fixed as the principle for adjustment of rent the result cannot be avoided. As the Association has suggested raising of revenue by levy of income-tax on agricultural profits it does not recommend abstention from enhancement of rent when necessary for reasonable adjustment of rent.

In adjusting reasonable rent improvements effected at the raiyat's expenses or payment of advance rent by the raiyat should certainly be taken into consideration. There should be no reasonable grounds for apprehension that adjustment of rent should be carried out without any regard to these considerations.

Q. 64. In answering question 52 the Association has expressed its opinion that rent should not exceed a fixed proportion of the average nett produce. From this it follows that if necessary on that principle there should be provision for reducing high contractual rents and for limiting rents for new settlements.

Q. 65. The question is too general to admit of any satisfactory answer.

As already indicated the Association is of opinion that rent should be adjusted throughout the province on a reasonable basis fixing the maximum to be a proportion of the nett produce. Chapter X of the Bengal Tenancy Act in settlement of rent does not proceed in such principle and is fundamentally defective from that point of view.

Q. 66. The Association is again to point out that unfairness has to be judged when there is a definite standard of fairness to be applied. If by unfairness is meant economically burdensome the poverty of the Bengal cultivators is such that in most cases any enhancement is economically burdensome and hence unfair. But if the question really means whether within the present framework of law enhancements under section 105 were given with any bias against the raiyats the experience of the Association is on the whole to the contrary. As a matter of general rule the Settlement Officers have exercised the discretion given to them under section 35 in favour of the cultivating raiyats and the special judges have seldom interfered with such exercise of discretion.

Q. 67. It is difficult to say what objective is primarily in view of the Government for making revisional settlements but as a matter of fact the revenue is enhanced in such settlements.

Q. 68. In recent times enhancements of revenue of temporarily settled estates have been as a general rule made by very big jumps over the existing revenue. If that fact is considered to be unfair, the enhancements have been generally unfair. But the Association is not quite certain what standard of fairness in enhancements the question is assuming.

Q. 69. It is quite obvious that if rents are enhanced during fall in prices it would give rise to grievance which cannot otherwise be described than as legitimate.

Q. 70. The Association can only think that the variation is due partly to the original rate of rent fixed more or less on customary basis and partly to the difference in demand for land owing to local conditions due, e.g., to transport facilities and other circumstances.

Q. 71. The Association has not got sufficient experience of the subject dealt with in the question and would not accordingly like to deal with the question.

Q. 72 and 73. The Association as a body has no expert knowledge in the subjects of these questions and does not desire to deal with them.

Q. 74. The Association has no working statistics on which to base any answer to this question.

Q. 75. The Association has not sufficient knowledge either of the expenditure or its curtailment to give any satisfactory answer to this question.

Q. 76. The Association has no special knowledge of the administration of the khas mahal.

Q. 77. The present uneconomic condition of the cultivating raiyats of Bengal is due generally to two factors:—(*i*) the primitive method of cultivation which is still being followed resulting in a production which is ridiculously low in quantity and quality compared with the standard of other civilised countries, and (*ii*) the unbearable pressure on land owing to non-development of modern industries and destruction of old handicrafts. Neither the "general policy of Government" nor "the land system of Bengal" ever concerned itself with this aspect of the cause of the uneconomic condition of the raiyats. The general policy of the Government and the land system of Bengal are responsible for the present condition of the raiyats in this sense that any positive policy for improvement of agriculture and organisation of the land system with a view to such improvement would have prevented the present uneconomic condition.

As to the question what "modifications" of the policy of the Government or the land system are necessary to remove the present uneconomic condition of the cultivators the Association desires strongly to emphasise that no mere change of the land laws giving the raiyats better security to their rights in their tenancies or relieving them from the burden of the present or enhanced rents would to any appreciable extent better their present hopelessly, uneconomic condition. Far greater effort on the part of the Government and the nation than mere passing of such legislations is necessary to better the condition of the cultivators, which is in one sense, bettering the economic condition of the whole country. It is necessary to substitute the present primitive mode of agriculture by modern scientific methods and the land system of the province should be changed according to the necessities of the introduction of such modern methods of agriculture. It is needless to say that provision for marketing facilities inside the country and in the world market must go hand in hand with improved agriculture and further pressure on the land must be reduced by the introduction both of large scale and of cottage industries. The Association thinks that any attempt at short-cuts can only lead to futility and dissolution.

Q. 78. Any satisfactory answer will require statistics which the Association does not command.

Q. 79. The Association has not the detailed knowledge necessary for any satisfactory answer to this question.

Q. 80. The Association has generally answered this question in answering question 77.

Q. 81. The Association has already indicated its view in answering question 77 that in the present state of agriculture of the province the pressure of population on the land is one of the main reasons of the poverty of the agriculturists. The question of surplus population in respect of the agricultural needs depends on the method of agriculture. In modern methods of scientific agriculture a smaller population than at present in Bengal would produce more and would support a larger population than is done at present in Bengal. If the question seeks an answer as to what percentage of labour could be removed from agriculture without any deficiency in hands in the present state of agriculture in Bengal the matter is one of elaborate statistics and the Association cannot venture any guess.

Q. 82. Pressure will be relieved by more agricultural production as also by taking off people from land to other avocations, e.g., industry. The industries may be large as well as small. The Association does not find any reason to support that the only means to take off people from the land is by taking them "to large industries in Government aided factories." Unaided private factories, large and small, if successfully worked and home industries, if properly organised, would do as well and perhaps better. If the industry be of a nature, which cannot or ought not to be started by private enterprise, such factories should of course be started by the Government and may no doubt employ part of the surplus agricultural labourers.

Q. 83. There is no efficient organisation, Government or private, from which the agriculturist can get loans on reasonable terms. The Association does not think that the co-operative credit societies have to any considerable extent met the necessities of the real agriculturists. These societies have largely been inefficient and not always honest in their management. These co-operative societies have been practically the only Governmental institutions for providing agricultural credit. Generally, owing to the defective organisation and unsatisfactory personnel, the experiment has not proved to be a success. Better result may be expected by organising these societies on stricter basis and with the help of men commanding confidence of the people by their reputation of efficiency and honesty. The Association regrets to have to say that in the past more often than not management of these societies has been entrusted to men possessing so-called "loyalty" which generally meant people who seek to be in the good graces of the executive authorities with the hope of benefiting their private affairs.

But the Association thinks that until the agriculturists are more solvent than at present no system of giving them credit could be ultimately successful and the present methods of agricultural credit can only be of a tentative and palliative nature with a view to save the cultivators from utter insolvency.

Q. 84. The Association has no statistical data on which this question is based. It can only say that very high per cent. of the gross produce the agriculturists pay as interest to the mahajans.

To reduce the rate of interest at present paid by the agriculturists on their loan better credit must be organised as to which the Association has given its general answer in answering question 83.

Q. 85. The Association cannot add anything helpful to what it has already said in answer to question 83.

Q. 86. The Association is of opinion that the Debt Settlement Boards under the Bengal Agricultural Debtors Act, 1935, have dealt with the problem of agricultural debts by practically ruining the agricultural credit of the province. In the opinion of this Association the said Act should be repealed. The system of setting up Debt Conciliation Boards should be abandoned and the problem of reducing and adjusting agricultural debts should be left to the ordinary law Courts for solution after lying down general principles for reduction and adjustment of such debts by disallowing high rates of interest and providing for simpler methods of agricultural insolvency.

Q. 87. If the Government finds it practicable the system would be extremely satisfactory if the banks are placed under efficient and honest management. How far it will be possible for the Government to find money for the purpose the Association is not in a position to express any opinion.

Q. 88. The Association has not the detailed knowledge of the functioning of the land mortgage banks to give a satisfactory answer. But generally speaking the banks or loan offices which lent money on mortgage of agricultural lands from raiyati holdings to zamindaris are now practically bankrupt owing to heavy fall in the price of such lands.

Q. 89. It is true that the method of realisation of rents by suits is both costly and cumbrous and also harassing and expensive to the tenants. But the Association apprehends that any summary methods, e.g., distraint or certificate procedure would lead to greater harassment and oppression of the tenants. The Association thinks that the method of suits is under the circumstances a necessary evil. But the procedure of rent suits and rent executions should be made as simple and inexpensive as possible and the present procedure can be considerably modified with that end in view.

Q. 90. This question has already been answered in answer to question 89.

Q. 91. The Association is of opinion that the old Regulations and Acts dealing with the revenue law should be repealed and replaced by Act or Acts making simpler and up-to-date provisions.

Q. 92. The question is too general to admit of any satisfactory answer.

Q. 93. It is obvious that by abolition of transfer fees and the zamindars' right of pre-emption the income of the landlords would be reduced. But that the market price of the tenants' holdings would be enhanced.

The Association cannot give any estimate independent of the statistics given in statement No. XIV of the List of Statistical Abstract supplied by the Commission.

Oral evidence of the representative of the High Court Bar Association on 25th March 1939.

PRESENT ON BEHALF OF THE ASSOCIATION:

Mr. A. M. Bose, Advocate.

In reply to the Chairman, Mr. Bose said he is satisfied that the imposition of an agricultural income-tax would not amount to an infringement of the principles of the Permanent Settlement.

He thought there would be no objection to giving occupancy rights to more than one person in the same land. It is true that the under-tenant would thereby be given a saleable interest, but the Association considers that it should be given to all tenant cultivators. He instanced the case of a tenant who cultivates a large tract of land and later sublets the excess area to other tenants. In such a case occupancy rights should be given to all of them. This proposal may lead to an increase in subinfeudation but he said that even at present some under-raiyats have occupancy rights in respect of the same land as their raiyat landlords. The Association is in favour of applying the same principle to bargadars who supply seed, plough and cattle and finance the expenses of cultivation. The other class of bargadars who supply nothing could be described as partners. He was not in favour of restricting the right of transfer but was unable to suggest any remedy to stop fragmentation of holdings. He thought that the harm which would be done to tenants by restricting transfer would be greater than the advantages derived from restriction. His policy would be rather to improve the economic condition of the tenants.

He considered the effect of the Bengal Agricultural Debtors Act has been so disastrous that the Act should be abolished. The Association has not however been able to suggest any alternative machinery for scaling down debts.

In reply to the Maharajadhiraja Bahadur of Burdwan, he said he did not think that the zamindars could be said to have acquired any prescriptive rights by possession since 1793 but having regard to the conditions under which the Settlement was made with them they should not be deprived of their rights. He agreed that minerals are the property of the zamindars and that if the State has to acquire them it would be very costly. He agreed that over and above the rights of the zamindars, tenure-holders' rights would also have to be acquired That was one of the main grounds for the Association's view that the present system should not be disturbed. He agreed that after paying all compensation for zamindaris, tenures and mineral rights the profits to the State for nation-building purposes would be extremely small. As regards the reply to question 13, he agreed that the zamindars should be given powers to collect their rents by a more summary procedure than at present.

The Maharajadhiraja Bahadur of Burdwan enquired whether the Association would favour the idea of levying an agricultural cess instead of an income-tax on the ground that income-tax might be merged in the general revenues whereas a cess would be earmarked for agricultural improvements. Mr. Bose replied that the Association had made it clear in their reply that extra funds would have to be raised for agricultural improvements when the condition of the landlords and tenants has sufficiently improved. He would not be in favour of imposing an agricultural cess now. In reply to the Chairman he said that funds for agricultural improvements should be found by the State from other sources than the land and when agricultural improvements have been effected it might then be possible to impose an agricultural income-tax.

In reply to Khan Bahadur Hashem Ali Khan, he said that he could give no idea what would be the cost of the agricultural improvements which the Association recommends, nor could he suggest the sources from which the money should be raised. There would be a fixed minimum to the agricultural income-tax. The zamindars should not be debarred from obtaining enhancements of rent on the ground of increased productivity. It may be true that the tenants are murmuring against enhancements on the ground of a rise in prices, but the Association is concerned with facts and not with "murmurings". He explained his proposal for enhancement by saying that in the reply the question of enhancement had been considered as between landlord

and tenant, and without reference to improvements carried out at Government expense. The unearned income should be shared by the landlord and the tenant. But if agricultural improvements are effected at Government cost that would lead to an unearned increment produced neither by the landlord nor the tenant. In that case the landlords and tenants would share the unearned income and the State would get its share by the imposition of an agricultural income-tax. Zamindaris to-day are not a losing concern though they do not produce much profit. It would depend on the individual opinion of zamindars whether they would be glad to be relieved of the burden of management.

The condition of the cultivators is deteriorating and he thought that without Government aid large scale industries cannot be developed. He could not say what the cost would be.

He gave the following calculation of the profits which are derived by zamindars and all tenure-holders:—

	Rs. (Crores.)
According to the cess valuation figure, the gross assets are	17
Deducting khas mahals and temporarily settled areas, the value of khas lands, minerals, plantations, tea, etc.	6
Gross rent roll	11

This gross rent roll—11 crores would be the equivalent of 65 per cent. of the gross value—

	Per cent.
Of this land revenue amounts to	25
Collection charges would be about	15
Total ..	40
The balance remaining to the landlords and tenure-holders would thus be (65 per cent.—40 per cent.)	25

He was not in a position to say what would be the size of an economic holding without being given full data. It is difficult to say whether the existence of many uneconomic holdings is the cause of the present economic conditions. He had no doubt whatever that the yield of crops could be greatly improved and thought that the surplus agricultural population could be supported if the yield is improved. By "scientific methods" of agriculture he did not refer to ploughing by machinery. Scientific agriculture may be carried out by one man for twenty men. He thought that large scale farming is not at present a practical proposition. He had seen several such farms and thought that they had been a failure. If proper manure and better quality seeds are used, there will undoubtedly be a greater yield. He did not

advocate restriction on the free right of transfer because that would lead to a restriction on the market price. He mentioned that after Chapter VIIA of the Tenancy Act was introduced, a number of cases had come from Midnapore district as the result of which the Association came to the conclusion that restriction on transfer was detrimental to the interest of persons who really needed to sell land. He agreed that if sufficient ready money were available to have agricultural banks in every thana it will improve conditions and might reduce the number of sales.

Consolidation of holdings had been tried in the North-West Frontier Province and the Punjab but had failed. It was a kind of acquisition by exchange, whereby tenants were allowed to apply to Court for possession of adjacent land in exchange for scattered plots. The rules are now practically a dead letter.

Defects of the Bengal Agricultural Debtors Act do not lie in the Act itself but in the results of its working. He mentioned the case of a man who wanted to borrow Rs. 3,000 for the marriage of his daughter on the mortgage of a house. A few days before the marriage the moneylender found out that the borrower had agricultural land, and refused to give the loan because he was afraid the borrower might apply to a Debt Settlement Board. If there were banks to provide credit the Bengal Agricultural Debtors Act might continue but he did not agree that debts have been succesfully scaled down by Debt Settlement Board. The agriculturist has lost his credit and the landlord his rent. The Act has been detrimental to both.

In reply to Khan Bahadur M. A. Momin, he said that the Association is not likely opposed to the abolition of the Permanent Settlement but thinks that present conditions are not favourable to its abolition. It would be a lengthy matter to describe all the considerations which would be favourable to the abolition of the Permanent Settlement, but briefly speaking, the Association thinks that conditions nowadays are very much the same as they were before the Permanent Settlement, i.e., in the period between 1762 to 1793. One reason for the Permanent Settlement was that the Government of that day wanted to secure the revenue. He agreed that if the Permanent Settlement were removed it might not be difficult for Government to collect the rent but said that his Association did not look at the whole question from the point of view of Government's power to realise rents. The security of revenue was not the only reason for enacting the Permanent Settlement. The interest of the State was certainly considered, but along with it the interests of the zamindars and raiyats were also considered. The zamindars' position was certainly secured, but it was expected that they would deal fairly with their tenants. If the Permanent Settlement

were abolished, he thought that the raiyats would be worse off than they are now for the reasons stated in the reply to question 13. He could not, however, say whether zamindari management is more oppressive than khas mahal.

As regards the reply to question 2(*iii*), he felt that the Association is justified in saying that the Permanent Settlement led to very little enhancement of raiyati rents and that a temporary settlement would have resulted in more enhancement. If a man has only temporary possession of property, he is not likely to take much care of it, but if his tenure is indefinite he will do so for the sake of his successors-in-interest. If his own revenue were increased, he would try to get as much increased rent as he could from his tenants. One reason why the Association objects to the abolition of the Permanent Settlement is that it will lead to a great financial burden to the State. If it could be proved by figures that State purchase would result in a considerable amount of profit, the question would be one of convenience. If it is thought that conditions are the same as at the time when Murshid Kuli Khan turned out the zamindars and later his successor had to restore them, then it would not be worthwhile making the experiment—but at the top of that it will have to remembered that nowadays compensation would be payable. The condition of the zamindars is the same as it was 20 years ago on paper, but nowadays realisation of rent is difficult and the cost of realisation is high. Lawyers are shy of buying zamindari property because they are more afraid of litigation. It may also be true that they see little profit in zamindari. The purchase price of zamindaris has come down. The present political conditions are not in favour of the zamindars. It is very difficult to say whether conditions will improve or deteriorate further. At present there is a combination among the tenants. It is impossible to say whether the zamindars or the tenants will be discredited as a result of the present movement just as it is impossible to say whether in the case of a mill strike, the strikers or the owners are discredited.

The proposal for the levy of agricultural income-tax would apply only to prosperous raiyats whose income is above the minimum limit. The tax should be in addition to rent. Whether or no rent is held to be a tax, the agricultural income-tax would be simply a further imposition.

It would not simplify the revenue administration to remove the landlords and tenure-holders. It may be true that if there are fewer claimants to rent, there will be fewer disputes. He did not agree that the imposition of agricultural income-tax would lead to complications in the administration. Road cess, education cess, and income-tax are now being collected without undue difficulty.

He agreed that agricultural banks should deal with short term loans only and not with long-term loans. Agricultural banks would certainly relieve agriculturists' debts. He agreed that tenants are forced to sell their lands in order to pay their debts and that any measure which reduces the value of land would be injurious to the tenants. The Bengal Agricultural Debtors Act has been injurious not only to the tenants but to the mahajans. The reason is that with the scaling down of debts there is no provision for funds to pay off the debts. The Act is an ill wind that blows no good to anyone.

In reply to Khan Bahadur M. Hossain, he said that the Legislature has power to reverse the enactments of any previous Government. He agreed that if 3 annas of every rupee of rent is going to the State and 13 annas to the landlords and tenure-holders, it is a great loss to the State.

He did not agree with the suggestion that a raiyat who sub-lets should be treated as a tenure-holder in respect of the area sub-let. This would lead to complications because the tenancy of a raiyat would be divided: in one part he will be a tenure-holder and in the other an occupancy raiyat. The proposal is not unworkable but would be difficult.

Bargadars who finance agriculture should be given occupancy rights and in the case of those who do not, their case should be regulated by the Contract Act. He thought that if the share received by a bargadar of this class was unfair, the Civil Court would regard it as an unconscionable bargain.

As regards his reply to question 45, he said that it is not necessary that co-sharer landlords should appoint any common manager as there is already a provision in section 99A of the Bengal Tenancy Act. The law also provides that a tenant cannot be compelled to pay rent separately to the different co-sharers.

Sir Frederic Sachse pointed out that co-sharer landlords can, and commonly do, file suits regularly for their share of rent. Mr. Bose replied that would not be legal. Co-sharers cannot file separate suits. The existing law provides that objections can be made to prevent frequent suits by co-sharers. If the law is not made use of, the Courts cannot be blamed but it would be going too far to extend this protection in undefended rent suits.

Continuing to Khan Bahadur M. Hossain, he said that section 60(2) of Regulation VIII of 1793 cannot be interpreted to mean that the rent of khudkasht raiyats was permanently fixed. Enhancement was possible on two grounds:—if the existing rent were below the share payable to the State or if it were below the pargana rate. He agreed

that there was a limit before the Permanent Settlement, but a difference of opinion exists whether that limit was continued after the Permanent Settlement. The question was discussed before the Permanent Settlement was enacted, but it was not decided. He did not agree that under Regulation IV of 1794, rents were fixed according to pargana rates.

In explaining the apparent discrepancy between the reply to question 52 and the latter part of the reply to question 60, he said the Association's recommendation is that legally zamindars should be entitled to enhancements on the grounds specified in section 30 (*b*) (*c*) and (*d*) of the Tenancy Act but as the present economic condition of the tenants is bad, no enhancement should be allowed until their condition improves.

In explaining the reply to question 56, he said that there was a typing mistake—what the Association recommends is that rents should be half of the net produce.

He agreed that most rent suits are decided *ex parte*. He did not agree that certificate procedure would be less costly and harassing than civil suits. Under the certificate procedure simply a postcard is issued and this is followed by a decree. He agreed however, that when there is no dispute over the rent, certificate procedure would be preferable. It would be no use to give Civil Courts certificate powers because if the tenant lodged an objection and engaged a pleader, the case would be argued and transferred to the rent suit file and the procedure would then be the same as in contested civil suits. In fact it would be longer.

The Association is not in favour of restricting the right of transfer. If the market is larger, there would surely be a better price, and this would be to the benefit of the tenants. No harm is done if the mahajan buys the land, because he gives a good price and that is to the benefit of the tenant who sells. The question is ultimately whether it is better to sell for half the price or to get half the crop.

In reply to the Secretary, he said that the Association had already proposed that in a case of this nature, the tenant, if he continued to cultivate as a bargadar, would have occupancy rights and the right to commute the share of the crop to a cash rent.

In reply to Dr. R. K. Mukherji, Mr. Bose said that he is President of the High Court Bar Association. The Association's reply was unconnected with that of Dr. S. C. Basak. He agreed that the abolition of the Permanent Settlement would certainly result in a reduction of revenue from Court fees and stamps. He could give no estimate of the amount but whatever it might be it would have to be set off against the profit resulting from State purchase.

Sub-letting below the grade of occupancy raiyat, if stopped, would be injurious to the interests of the raiyat. He agreed that there is no difference in principle between sub-letting below the zamindar and sub-letting below the raiyat. State purchase of zamindaris and intermediate tenures would not abolish sub-letting below the raiyat.

He agreed that in the estates where the incidence of land revenue is heavy there should be a difference in the assessment of agricultural income-tax.

He was not in favour of imposing an irrigation cess which he thought would prove very burdensome to the landlords.

Bargadars who are treated as tenants would not have to execute any documents: the other class of bargadars who are governed by the Contract Act would be most properly described as partners.

Dr. R. K. Mukerji suggested that a rise in prices can be caused by the State as the result of a difference in exchange values. Mr. Bose replied that the Association had not considered the question of managed currency in their reply but had limited their view to the relation of landlord and tenants.

He did not consider that a raiyat can be regarded as having a proprietary right. Occupancy raiyats can be ejected for a breach of the conditions, not inconsistent with the Tenancy Act, and for rendering a tenancy unfit. There is no connection between zamindars' proprietary right and that of tenants. Some incidents such as heritability and transferability are common but that is all. He was in favour of giving occupancy raiyats the right of not being ejectable under any circumstances.

In reply to Sir F. Sachse, he agreed that there have been very few cases of ejectment under Section 25.

Bargadars who are not regarded as tenants should be governed by the Contract Act: Section 178, Bengal Tenancy Act, does not contemplate their case as they are not tenants. He agreed that labourers might be equally incapable of looking after their interests and might need protection just as much as tenants, but he was satisfied that they receive sufficient protection under the Contract Act from the Civil Courts.

The rights of zamindars to coal and minerals were not expressly given by the Permanent Settlement. After the Permanent Settlement there were several cases in which it was held that zamindars have these rights. The zamindars' claim rests upon case law, but the Government of India was not a party to these cases so far as he is

aware. He thought however that the zamindars' claim to compensation is firmly established although Government might question whether mineral rights were conferred by the Permanent Settlement.

As regards the reply to question 45, he said he is aware that Sir John Kerr's Committee proposed that a common agent should be appointed by all co-sharer landlords: this proposal was not accepted by the legislature and section 99A was substituted. It may be true that in only about two dozen cases in the whole province have common agents been appointed. The reason probably is that co-sharers do not trust each other. He was prepared to accept the statement that half the raiyats in Bengal pay rent to several co-sharers as a matter of course. He agreed that the difficulty arose because the Civil Courts made a distinction between co-sharer landlords acting jointly or separately. That was the reason why section 148A was added in 1928 because co-sharers must be allowed to file rent suits separately.

Landlords objected to the right of transfer being granted in 1928 because before that they were entitled to demand their own nazar and in the bill it was proposed to regulate the rate of transfer fee. He thought that they did not object on the ground that transfer would adversely affect the interests of the raiyats.

A landlord could not raise the issue of enhancement of rent in a rent suit. He might sue for enhancement and at the same time ask for arrears at the old rate of rent.

He agreed that after district settlements are concluded suits for enhancement of rent are very rare except on the basis of the record-of-rights.

In reply to the Secretary, he said that he was in favour of non-ejectability even if a raiyat converted his holding into a brickfield or other non-agricultural tenancy. In such cases section 155, Bengal Tenancy Act, would provide the procedure by which the tenant could be restrained, or could be ordered to pay compensation unless he restored the holding to its original state.

He had not fully considered the details of the scheme for the levy of the agricultural income-tax. He agreed that various classes of cases would have to be separately treated. In the case of landlords and tenure-holders who are purely rent receivers the tax could be imposed on the income after deducting the revenue or rent paid, plus the cost of collection; in the case of persons who are agriculturists a deduction would also have to be made on account of the cost of cultivation, depreciation of stock, etc.; and in the case of the tea industry the tax would have to be charged only on the profits arising from tea growing as distinguished from the manufacture of the finished product.

Reply by the Jalpaiguri Bar Association.

Q. 1. (*a*) The motives which prompted the Court of Directors to fix the assessment permanently are clearly stated in section 7, Article VI of Regulation I of 1793 and as was natural it was expected that the proprietors of land with whom the Settlement was to be concluded, would exert themselves in the cultivation of lands under the certainty that they would enjoy exclusively the fruits of their own good management and industry. The main point that was emphasised was that on no account would any claim for remission or suspension of revenue be attended to. The object of the measure was not only to promote the future ease and happiness of the people but also to have a fixed revenue without the trouble and expense of periodical assessments. The duties required of them were to pay the revenue at the stipulated periods and to conduct themselves with good faith and moderation towards their dependent talukdars and raiyats.

We do not think that there were any other duties and obligations imposed upon the zamindars after the Permanent Settlement.

(*b*) The Permanent Settlement did not take away any existing rights from the tenant.

Q. 2. After the Permanent Settlement the zamindars were perfectly at liberty to choose their own tenants and to regulate the usage of the land in any manner they thought fit.

Q. 3. The landlords have played an important part in bringing under cultivation large tracts of land which were formerly uncultivated and have also tried their best to help the economic development of the country but during the last half a century zamindars have preferred to live in towns and cities being attracted by the amenities of town life and have failed to take any real interest in the welfare of the tenantry. But they have contributed to a great extent in the industrial development of the country by promoting industries.

We do not consider that they have failed to perform the functions expected of them at the time of the Permanent Settlement.

Q. 4. It is not correct to say that the zamindars were converted to the status of proprietors of the soil from collectors of revenue. The Regulation I of 1793 and Regulation VIII of 1793 clearly indicate that they were at the time regarded as the proprietors of the soil.

Q. 5. There is no doubt that the annulment of the Permanent Settlement would be a breach of solemn pledge given by East India Company to the zamindars.

The plea that the tenants were not parties seems to be meaningless. It was an act of the Ruling Authority affecting the zamindars alone, and the authority reserved to itself full powers to make such laws and provisions as they thought fit to protect the tenants.

We do not admit that the Permanent Settlement has permanently crippled the financial resources of the country. In spite of the Permanent Settlement, the land revenue of Bengal has increased and is still increasing—though not from the permanently settled estates.

Q. 6. In spite of flood, drought and other natural calamities, the Government have realised the fixed revenue all these years since the Permanent Settlement. And the zamindars have paid the fixed revenue in spite of the fact that they could not realise their dues from the tenants. And they naturally enjoy the fruits of the management, good, bad, or indifferent.

We consider that large increase in the area under cultivation is due to the combined effect of all these clauses, (*i*), (*ii*) and (*iii*), as noted in this question.

Q. 7. It is difficult to make any accurate statement about the percentage of increase on different heads, but on a rough guess it may be—

25 per cent. to (*i*);

25 per cent. to (*ii*); and

50 per cent. to (*iii*), i.e., to enhancements and resettlement.

Q. 8. Apart from abwabs and illegal exactions by tahsildars of zamindars the tenants were not unfairly treated by the zamindars. Illegal exactions have been effectively checked by subsequent legislation and at present the tenants have got very little grievance.

Q. 9. The Permanent Settlement imposed upon the zamindars the duty of paying the revenue in time without any claim to suspension or remission and to conduct themselves with moderation towards their tenants. We do not see there was any other obligation which the zamindars failed to carry out.

There is no doubt that the zamindars have improved their estates by industry, enterprise and good management and it varies in different localities.

Absenteeism and want of close touch with tenants during the last fifty years is responsible for the present unhappy state of affairs.

Q. 10. We think, the Permanent Settlement was in the interest of the country economically and for the greatest good of the largest number.

On the whole the system is to the benefit of the province.

We do not think it has resulted in the advantage of the landlord at the expense of the tenants.

Q. 11. (*i*) In India the State never claimed or realised more than one-third of the gross produce of the land actually under cultivation and the revenue of the State necessarily varied year after year according to the actual production. The Permanent Settlement has ensured a fixed revenue.

The 80 per cent. of the income is not really appropriated by the zamindar.

About 10 per cent. of the total income is lost to the zamindars owing to various causes, another 10 per cent. goes for collection charges, and of the balance a certain percentage always remains in arrears, but they have to pay the revenue at the kist dates.

In Government khas mahals also the jotedar under Government is allowed a margin of 45 per cent. to 50 per cent. on the assets.

The capital invested by the zamindars in acquiring zamindari shows a return of 3½ per cent. only.

Besides these they undertake a serious risk of losing their estates in default of punctual payment of revenue.

(*ii*) We do not agree that the Permanent Settlement is responsible for subinfeudation of tenancy. This existed before the Permanent Settlement and still exists more or less in Government khas mahal and temporarily settled estates except where it is prohibited by law or rule having the force of law.

It is due to the tendency of the people to trade in landed interest as that is regarded as the safest investment.

If necessary it can be limited by legislation.

(*iii*) We do not agree that the Permanent Settlement has created a system of overlordship over the actual cultivators of the soil.

Q. 12. We do not advocate the abolition of the Permanent Settlement.

Q. 13. No.

Q. 14. Compensation should be paid to the zamindars. This may be paid by redeemable G. P. Notes yielding an income equal to the net income of the estates held by the zamindars.

The total sum required would be about 300 crores of rupees.

Q. 15. Preferably redeemable, say within 30 years. Interest to be 3 per cent. or 3½ per cent.

Q. 16. The effect would be disastrous to the social structure of Bengal. The people who have got stake in the country and who have made Bengal what it is to-day will lose their occupation, power and influence and the Government will lose the support of an influential body of people.

Q. 17. If the Permanent Settlement is abolished the interest of all the tenure-holders should also be acquired and raiyats should come directly under the Government. But we do not think that the change will lead to any advantage.

18. Additional staff shall have to be appointed for survey settlement and collection of rents from raiyats involving large costs. The costs would be roughly 2 crores of rupees.

Q. 19. No.

Khas mahal raiyats do not enjoy any advantage over raiyats under the Permanent Settlement.

Q. 20. No.

It has not affected the raiyats in any way socially or economically.

Q. 21. The effect would be disastrous to the social structure of Bengal. The people who have got stake in the country and who have made Bengal what it is to-day will lose their occupation, power and influence and the Government will lose the support of an influential body of people.

Q. 22. If purchased, the homestead lands should be allowed to be held by them and its value deducted from the price. Khas lands should go as part of the estate on a valuation to be fixed.

The lands actually cultivated or otherwise used by the zamindars and tenure-holders should be taken to be their khas lands.

Q. 23. Occupancy right is a creation of British legislation but some similar rights existed from an earlier period.

Q. 24. We do not agree that the cultivating raiyats have always been the actual proprietors of the soil in Bengal.

Q. 25. We are in favour of granting all persons interested in the land a sort of occupancy right which would protect them from ejectment at the will of his superior landlord.

Q. 26. As we are in favour of granting occupancy rights to all classes of tenants, this question does not arise. If, however, the occupancy right is confined to only cultivators of the soil both the

classes of tenants who partly or wholly sublet may be protected by appropriate provision in law on the basis that the statutory raiyat shall have occupancy rights in all lands held by him whether in khas or partly khas or wholly sublet.

Q. 27. The Permanent Settlement did not appear to have made any distinction between different classes of tenants in the matter of protection. We are in favour of giving occupancy rights or similar rights to non-agricultural tenants with a view to save them from ejectment.

Q. 28. The percentage of non-agricultural lands is very small and generally the landlords of such tenancies do exact a much higher rent for these lands. The State does realise a tax on such income from persons having income from non-agricultural lands in the shape of income-tax. Under the law as it stands an occupancy raiyat is entitled to a portion of his holding for his homestead and similar purposes. This does amount to conversion of agricultural lands to non-agricultural lands. There are, however, cases where agricultural lands have been entirely converted into non-agricultural lands when such lands are within or near about a growing town or *bunder*. The area of such lands in the whole province is so very small in comparison with the agricultural land that an attempt to tax such lands would entail costs which would be disproportionate to the result sought to be achieved.

Q. 29. We have no statistics available to show if the bargadars are on the increase. Assuming that it is, the increase must be very small and the only reason appears to be that some cultivators having lost their holdings by private sale or Court sale are now cultivating lands as bargadars.

30. (*i*) The fact that the Amending Act of 1929 did not give any right to bargadars does not appear to us to have anything to do with the increase, as the middle class who do employ bargadars for the purpose of cultivation of the lands have been doing so all along even before the Amending Act and in spite of the fact that under the old law the bargadars could have acquired rights in the lands. As regards the cultivating class, they did not and do not employ bargadars except out of sheer necessity. The Amendment of 1929 certainly does not encourage them to employ bargadars.

(*ii*) The facilities for transferring the occupancy rights by the Act of 1929 do not in our opinion contribute to the increase of bargadars. In spite of the non-transferability of occupancy holdings before the Amending Act such holdings were freely transferred and acquired by all sorts of people including non-agriculturists. The transfers are the result of purely economic causes. The change of law by the Amending Act has not increased such transfers. The only result of the Amending Act has been to deprive the landlords of some of their advantages but

in our opinion it has not affected in any way the position of the raiyat or bargadars.

(*iii*) During the economic depression the raiyats have lost their holdings more for arrears of rent than by private sale and in many cases they have been allowed to cultivate the lands as bargadars.

Q. 31. The area held by bargadars differs in different districts of Bengal. In eastern Bengal they hold from one to six bighas of land often under different landlords and in northern Bengal such as Dinajpur, Rangpur and Jalpaiguri the average area is one hal (15 bighas). In East Bengal most of the bargadars have their own holdings raiyati or under-raiyati but in northern Bengal almost all of them are landless having no other lands (raiyati or under-raiyati).

Q. 32. We do not consider that the bargadars should be given occupancy or other rights. No question of their protection does really arise as so long as a bargadar acts honestly and work satisfactorily no landlord tries to get rid of him. In northern Bengal bargadars are in so great demand that the landlords have to spend a lot to secure their services.

Q. 33. We consider the barga system to be economically sound and would not like to prevent its extension.

Q. 34. If occupancy rights are given to bargadars the zamindars and other people will certainly try to get their lands cultivated by employing servants or other hired labourers and it is more likely that some bargadar will be thrown out of employment.

Q. 35. The ordinary proportion of produce payable by bargadars is half and half. That seems to us to be very fair. If necessary, that may be fixed as the maximum share of produce to be payable by the bargadars.

Q. 36. Wages of agricultural labourers ordinarily vary from three to six annas per day, subject of course to the rule of demand and supply. Having regard to the opportunities of employment of agricultural labourers, the economic position of bargadars compares very favourably in favour of bargadars. It is common experience that people do not work as mere labourers if they can secure lands for cultivation as bargadars.

Q. 37. We do not consider that the Amending Acts of 1929 and 1938 have the effect of passing considerable area of raiyati lands to non-agriculturists. We are not in favour of restricting transfers to agriculturists only. An agriculturist may have hundreds of acres of lands cultivated by adhiars and a non-agriculturist may really acquire land for the purpose of agriculture. As we noticed above these Amending Acts have only deprived the landlords of their salami or other advantages

and have not in any way increased the transfer of lands from agriculturists to non-agriculturists, the transfer being entirely due to economic causes.

We do not consider it practicable to restrict such transfers. Complicated provisions in law to prevent such transfer would lead to litigations and invention of devices to circumvent the law. Agricultural lands whether transferred to any agriculturist or non-agriculturist will continue to give agricultural produce (save and except when they are converted to non-agricultural use) and it is immaterial whether the land is cultivated actually by raiyats or bargadars.

Q. 38. The minimum size of an economic holding should be 25 bighas.

Q. 39. Yes.

Q. 40. Consolidation of holdings though desirable is not practicable. Even if it is achieved there will be again subdivision and fragmentation due to the personal law of inheritance of the Hindus and Muhammadans. It can be achieved by making compact blocks of holdings by transfer or exchange and by preventing the devolution of such holdings except to one individual either by succession or by transfer. Part transfer or partition to be entirely prohibited.

Q. 41. It is difficult to conceive of any special facilities which would enable a cultivator to increase the area of his holding in order to make it an economic one. As the law stands the right to purchase and exchange already exists.

Q. 42. It is impracticable under the existing system to have equal distribution of wealth and properties amongst the population of the country. If a businessman is not prevented from expanding his business we do not see why a man who has taken to agriculture and has been successful in his enterprise should be prevented from extending his agriculture by acquiring more lands. We do not consider it desirable to limit acquisition of lands. It is better to have one big and successful agriculturist than to have several different ones. Besides the savings of an agriculturist may be usefully employed in the extension of his agriculture in which he has succeeded by his industry and it is undesirable that his savings should be blocked in some other enterprise which he may not like.

Q. 43. Coparcenary is not always detrimental to good cultivation. As a matter of fact, it is sometimes necesary for good cultivation. It is extremely difficult to carry on agriculture in Bengal single-handed. There are times when the help of several others is required by a cultivator at the time of sowing and reaping and sometimes agricultural labourers are imported from neighbouring provinces. It is common

knowledge that a family consisting of several adult members who can work in the field get more from the lands than another consisting of fewer members.

It is only when the holdings are subdivided that the trouble begins. That can be prevented if some means can be devised to prevent partition and subdivision of holdings. Without interfering with the laws of inheritance the holdings may be kept intact if only one of the heirs be permitted to retain the holdings and the other heirs are forced to sell off their interest in the holdings. In the alternative when a partition is sought by one of several heirs only one of the parties may be forced to buy off other shares. This method can only work if there is any bank which would be willing to advance money for such acquisition as ordinarily very few cultivators would be in a position to find money for purchasing the interest of other co-sharers.

Q. 44. The answer to question 43 may be referred to.

Q. 45. No.

Q. 46. The right of the landlord to enhance the rent of the tenants was certainly well-known at the time of the Permanent Settlement and it was certainly contemplated that the landlords would enhance rents of their tenants.

Q. 47. No. There are indications that the authorities knew that the zamindars were likely to enhance the rents of the under-tenants. *See* for instance clause 49 of the Decennial Settlement Regulations VIII of 1793.

Q. 48. We do not believe that the rents of those tenancies which existed at the Permanent Settlement were meant to be fixed in perpetuity. The zamindars were enjoined not to increase the rents of mokararidars and to observe the terms and conditions of the written contract between them and the tenants. *See* section 49 of Regulation VIII of 1793.

The provisions of section 6 of Bengal Tenancy Act only indicate that when rent of a tenancy held from the time of the Permanent Settlement has not been enhanced since that time, it cannot be enhanced except by local custom or by the conditions under which the tenure is held. It only supports the view that the right to enhancement of rent depended not only upon the particular contract between landlord and tenant which the landlord was bound to observe under clause 49 of Regulation VIII of 1793 but also upon local custom.

Section 50, clause (1) of the Bengal Tenancy Act is based upon the principle if the rent has not been enhanced from the time of the Permanent Settlement a contract of non-enhancibility should be presumed. It is only a method of proving that under the original contract the landlord was not entitled to enhancement.

Neither section 6 nor section 50, clause (1), of Bengal Tenancy Act lends any support to the theory that the mere existence of the tenancy from the time of the Permanent Settlement would preclude the landlord from enhancing the rent or in other words they do not show that rents of tenancies existing at the Permanent Settlement were also fixed in perpetuity or meant to be so fixed.

Q. 49. Assuming that it was intended that the rents of the tenants existing at the Permanent Settlement should never be increased, there is no case for reducing the rents of such tenants.

There are no sufficient materials available for determining those rents or for distinguishing the tenancies existing at the time from those which were created subsequently except in a very small number of cases.

It is true that where rents of raiyats have been enhanced before the recent economic depression such enhanced rents are now operating harshly upon the tenants, regard being had to the abnormal fall in prices of agricultural produce in general and jute in particular.

We would suggest that the highest rent per bigha in particular districts may be fixed after considering the class of lands, the average yield, nature of crops grown, and average price and where the rents are found to be in excess reduction may be allowed.

Q. 50. If enhancement is allowed some criterion must be fixed and the ground of rise of prices of staple food crops is after all a most unobjectionable one, but it was never foreseen that after such a phenomenal rise of prices from 1920-28 there would be such abnormal fall during subsequent years which definitely points to that conclusion that the ground of rise of prices is not always a safe criterion. We think that after due consideration of all the facts mentioned in answer to question 49 the highest and lowest rents payable by raiyats for agricultural lands in different districts may be fixed so that enhancement or reduction cannot cross those limits.

Q. 51. It appears that all waste lands outside the limit of the permanently settled estates were to be assessed at the pargana rates. But it is difficult to maintain that it was ever intended that all waste lands should be settled at the pargana rates prevailing in 1793. It cannot for a moment be contended that the waste lands in Jalpaiguri Duars should be settled at the pargana rates prevailing in 1793.

What was intended seems to be that the Permanent Settlement of the lands of the various districts including those waste lands outside the ambit of the permanently settled estates, the lands held under invalid lakheraj grants, etc., should be assessed on the same principles.

Q. 52. Half the profit of the cultivator after paying all the expenses of cultivation ought to be the fair and equitable rent.

Q. 53. Cultivators of the permanently settled estates in most cases do pay lump rentals where the tenancies are old, rents of comparatively new tenancies are based partly on competition and partly on the consideration of the production of the land.

In temporarily settled estates under Government khas mahal the rents are fixed on the supposed classification of lands made on the basis of productivity and at rates fixed by the Board of Revenue at so much per acre. It is not correct that the rates differ greatly for lands of similar value in almost every village and estate.

There are differences in rates in the same village or estate for similar lands no doubt but that is not generally the case.

Q. 54. It is not our experience that poor and weaker tenants pay higher rents.

The general rate prevailing in the locality, productivity of the soil and competition are factors responsible for the present rents in Bengal.

Q. 55. We would not recommend the readjustment of rents on a uniform basis throughout all parts of the province even if the zamindars and middlemen are removed.

Productivity, natural advantages and disadvantages, differ so widely in different localities, that it is impossible to have uniform rates of rent throughout the province. A fixed principle however may be adopted.

Once the basis or principle of fixing the fair rent is fixed the whole province may be brought under it. We presume that by this time a record-of-rights has been prepared in all the districts of Bengal and no fresh record-of-rights need be prepared but verification of the old record-of-rights may be necessary.

Q. 56. We would recommend that half the produce or its equivalent in cash should be taken as expenses of cultivation and of the remaining half, half may be given to the cultivator for his profit and the other half is to go to the landlord as the maximum rent.

Q. 57. If rent is fixed on cash basis on the value of the produce it would be inequitable to fix the rent in perpetuity.

The rents must be liable to revision from time to time and we would fix 20 years as the limit after which the revision may be made except in abnormal circumstances.

Q. 58. There will be no advantage in the substitution of income-tax in the place of rent.

The second part of the question is answered in the affirmative.

Q. 59. Under the Bengal Tenancy Act the tenureholders are liable to pay enhanced rents upto 80 per cent. of their assets. This is extremely harsh on the tenureholders.

There is no reason why the zamindars should get so much.

The provision for enhancing the rents of the raiyats are really protecting the raiyats from unusually high enhancement.

The provision for enhancement on the ground of the rent being less than the prevailing rent is practically useless.

The only other ground of enhancement—the rise of prices of the staple food crops—does not operate harshly.

Q. 60. We have come across very few cases where enhancement has been obtained on the ground of improvement of the soil as a result of fluvial action. It is generally extremely difficult to prove a case of this sort and the provision of law on this point is almost a dead letter. However theoretically the zamindars who are proprietors of the soil can legitimately claim share of profit due to the improvement of the soil.

The zamindars of the estate therefore can claim enhancement under such circumstances.

Q. 61. No. If there is corresponding provision for reduction of rent on fall of prices.

Q. 62. No such distinction can be made, as obviously no distinction is made in case of income-tax where an individual is taxed on an income of Rs. 2,000 though that sum may be even quite insufficient to maintain his family.

Q. 63. Yes, all the more so because the tenants very seldom have either the money or the inclination to fight out cases like this against powerful landlords.

It is extremely difficult for the tenant to prove prevailing rates.

Q. 64. We are not in favour of interfering with contractual rents except where owing to change of circumstances such rents have become oppressive.

According to some settled principles rents for new settlements may be limited.

Q. 65. We are strongly of opinion that there is absolutely no justification for having different methods for the settlement of rent in temporarily settled Government estates, khas mahal and permanently settled estates.

The defects are that the revenue officers supported as they are by the Board of Revenue are always over-anxious to enhance the rents by way of resettlement.

The tenants are mostly illiterate or semi-literate, do not know or cannot know what is being done and are practically helpless.

Tables of rates are prepared for different classes of lands and lands are classified according to the whims of Revenue Officers with the result that rents after every settlement increase sometimes to the extent of 50 per cent. or more.

Though there is a provision for civil suit but so far as rents are concerned that is conclusive.

The appeals to the revenue authorities provided by law are generally useless as the principle of enhancement, the table of rates, and all questions of principle involved are already settled with their approval.

The rules which govern the enhancement of rents in permanently settled estates ought to govern the tenants of the temporarily settled estates as well.

Q. 66. We do not know of any case where unfair enhancements have been allowed by the Settlement Courts or the Special Judges in proceedings under section 105, Bengal Tenancy Act. Our experience is that enhancement granted by Settlement Courts or Special Judges were always moderate and reasonable.

Q. 67. Yes.

Q. 68. We consider that during the recent resettlement in the Jalpaiguri Duars (temporarily settled estates), the rents settled amounted to enhancement which was obviously unfair.

Q. 69. Yes.

Q. 70. The reason for variation may be due to a variety of causes such as the question of demand and supply, productivity of the soil, the natural advantages and disadvantages.

The word "similar lands" are often very vaguely used in this connection. And Settlement Officers are often misled by such comparison. The paddy lands in Sundarban or Barisal khas mahal are quite different from those of Jalpaiguri Duars but ordinarily if they grow only one crop, namely, paddy, the lands are supposed to be similar whereas as a matter of fact they are not.

Q. 71. It is a fact that remissions are not ordinarily given in permanently settled areas and khas mahal areas. The reason seems to be that the rules in question are such that the District Officers find it difficult to recommend to Government lest their recommendation be turned down. There are so many "ifs" in the rules that it is difficult to obtain the recommendation of the Collector.

The rules may be simplified by making a provision that if a certain officer or a committee appointed by Government is satisfied that there has been total or partial failure of crops there should be a remission of revenue and rent for a specified period.

The Government, as soon as it decides on remission, should make it known to all tenants within the area that such remission has been granted and that they are not to pay the rents for that period. If in spite of that any landlord realises any rent he may be proceeded against under the law.

Q. 72. The average approximate costs of production per acre appears to be as follows:—

		Rs.
Jute	...	50
Paddy	...	24
Sugarcane	...	150

Q. 73. Productivity of the soil in Bengal is generally on the decrease:—

Reasons seems to be want of manure—natural and artificial.

Government have not taken any effective steps to improve the fertility of the soil either by distribution of manures or by distribution of improved seeds.

Q. 74. The Acts referred to have not been extensively applied by Government. The reasons are probably financial.

Q. 75. We have no sufficient materials before us to answer this question.

Q. 76. Government have been realising salami for settlement of lands in khas mahal at least for the last twenty-five years or more. So far as we are aware Government do not spend any money for improving the agricultural condition of these lands.

Q. 77. Government have got practically no policy to improve the economic condition of the raiyat—

(*a*) want of education,

(*b*) want of marketing facilities,

(*c*) want of rural banks to finance the cultivators,

(*d*) want of employment during slack season,

are some of the reasons for the present uneconomic condition of the raiyat. Government may help in all these matters.

The land system of Bengal has got nothing to do with the uneconomic condition of the raiyats save and except that it allows holding to be subdivided to very small uneconomic holdings.

Government can help in the matters referred to in clauses (*a*), (*b*), (*c*).

Q. 78. A raiyat having an average holding of say 1·9 acres may have an income of about say, Rs. 90 to Rs. 100 and his income from other sources may be utmost Rs. 15/20 a year.

Raiyats having 5 acres of land may maintain themselves and their family on the present standard of their living from the income of this holding.

Q. 79. Save and except the record-of-rights there is practically no land records kept in Bengal.

The Collectorate registers cannot be deemed to be land record in any sense.

The present system is most unsatisfactory. It is quite feasible to prepare and maintain continuous and accurate land record in small limits of villages and to include in such record a full statement of the crop on each plot from year to year.

Q. 80. The means suggested in clauses (*i*) to (*v*) may all be tried to increase the income of the cultivating raiyats.

Q. 81. We do not consider that the pressure of population on land is one of the main reasons for poverty of the agriculturists.

In fact in many districts of Bengal there is a dearth of agriculturists.

If there be rational mobilisation of agriculturists, Bengal can yet maintain her whole agricultural population out of the income of the land.

Q. 82. Any means by which agriculturists may have another source of income would relieve the pressure.

Q. 83. There is no efficient organisation, Government or private, in existence. It is necessary to establish banks or other organisations which would advance money to agriculturists on the security of lands and crops so that they may not be forced to sell their crops when prices are low.

Q. 84. So long as agriculturists shall have to borrow money they must pay interest.

The Moneylenders Act and the further attempt to reduce the rate of interest by legislation, if successful, will bring down this drain to a reasonable limit.

Whether it is a bank or other organisation or a mahajan who advances money the drain will probably be the same if the interest is limited by legislation. It is impossible to stop borrowing by agriculturists and necessarily it is equally impossible to stop this drain.

Q. 85. The co-operative credit societies have not succeeded in tackling the credit problem of the agriculturists.

Though the interest charged by these societies is not too high they have not been successful in rendering any appreciable benefit to them.

The societies are not very popular and a very small percentage of the agriculturists have become members of such societies.

There are very few members of such societies who have been able to wipe out their debts by taking loans from such societies.

The reasons for the failure of the societies are many. The chief among them being—

(*a*) The difficulties in complying to the formalities required.

(*b*) The delay in securing a loan.

(*c*) The difficulty in producing a surety.

(*d*) The difficulty in securing successive loans.

(*e*) Party-faction and favouritism.

(*f*) Realisation of debts from sureties without serious attempt to realise from the principal debtor.

As a matter of fact, it is common experience that agriculturists borrow at higher rates from village mahajans and do not like to borrow from the co-operative societies.

Q. 86. The net result of Debt Settlement Boards has been to ruin agricultural credit altogether. The settlement effected by these Boards has the effect of nearly postponing payments and creating difficulties in the way of securing any further loans.

Nowadays the agriculturists have to part with their properties movable or immovable to secure even small loans and that is bringing extreme distress to the agriculturists themselves.

The main defect of these Boards is that they are composed (in many instances) of undesirable and unscrupulous persons who, it is reported, are making a living out of it.

The Act itself is cumbrous and unintelligible to laymen and cannot be efficiently worked by people without legal training.

The administration of the Act ought to be placed in the hands of the judicial officers such as munsifs and Sub-Judges and there must be a limit of the amount of the debt that can be settled under the Act.

The word "debtor" must be more precisely defined so as to include real and bona fide agriculturists only.

Q. 87. Agricultural Banks may be established in each union to finance the agriculturist but it is doubtful whether Government would be in a position to establish them in near future.

The limitation of the rate of interests by law may serve the purpose and village mahajans may serve as bankers to these agriculturists.

Q. 88. We have not seen any Land Mortgage Bank functioning in this district. Therefore we are unable to make any suggestion.

Q. 89. The ordinary procedure for realising debts through law courts ought to apply to the landlords but the procedure for the rent suits is simpler than in other cases.

As regards costs it is mainly due to the court fees payable which are already high. If justice is costly for others there is no reason why it should be cheaper for landlords.

The only suggestion is that justice should be less costly for all concerned. The tenants can always avoid rent suits by paying even one year's rent when there are arrears for four years.

It is not only harassing or expensive to the tenants but on the other hand the tenants do sometimes protract proceedings and harass the landlord simply to gain time.

Q. 90. Certificate procedure is objectionable because the proceedings are summary.

There is no other way of recovering rents more speedily than through proceedings in a Civil Court. But the proceedings may admit of further simplification. Any other method would be too drastic such as distraint or arrest or forfeiture of tenancy.

All these methods have been definitely abandoned in the interest of the tenants.

Q. 91. We would recommend the repeal of old regulations and earlier Acts and replace them by a simple consolidated Act embodying the main provisions.

The Revenue Sale Law and the Patni Regulation do operate harshly on the landlords and the tenants. They may be amended.

Q. 92. There ought to be provisions in the Revenue Sale Law for giving personal notice to defaulters and also to give them an opportunity to pay off and save their estates by deposit within 30 days after sale as has been done in case of patni sales.

The provision for annulment of all under-tenures in case of revenue sale is also harsh upon the under-tenureholders and they should be given an opportunity to pay off the arrears and save their interest.

Q. 93. We do not consider that the Amendment of 1938 of the Bengal Tenancy Act would have any serious economic effect on tenants.

The landlords, of course, have lost a source of their income and the total loss of the landlords may amount to 30 to 40 lakhs a year.

Reply by the Bar Association and the Peoples' Association, Khulna.

Q. 1. The history of the Permanent Settlement is now too well-known to need any recapitulation here. It is presumed that the Commission have gone through all the publications and records connected therewith. A study of the history leaves on our mind the impression that the real object of the Permanent Settlement was to secure revenue of the Company at a rate as highest as possible. It does not appear that there was any altruistic motive behind the Settlement so as to confer any real benefit either on the zamindars or on the tenants. This point has been very aptly described in Mitra's "Land Law of Bengal", page 88, where he has stated, "The necessities of paying the great military and civil establishments of the Company and the dividends to the proprietors required the punctual realisation of the land tax, and the amount needed was large. To avoid fluctuation and ensure punctual realisation some means were absolutely necessary to be adopted and the Government adopted not only the best, but, even shows, the most successful one. The tax was at the time so heavy and the rules adopted for realising it were so paralysing that most of the ancient Rajas and zamindars of Bengal who had the good fortune of Permanent Settlement being thrust upon them succumbed in the course of the next few years." Mr. Mitra goes on to point out that the prevailing feeling in England about the time was one of the main causes which led to the introduction in India of the same principle of giving certainty to the demand of the Government upon land. Mr. Marshman says—"In the course of seven years, dating from 1793, most of the great zamindars who have survived the commotions of more than a century, were ejected from the estates of which they had been recently declared the sole proprietors. It was a great social revolution, affecting more than a third of the tenures of land, in a country of the size of England." —History of India, Vol. II, p. 261. It thus appears that the Permanent Settlement instead of benefiting the zamindars really ruined them. The result should have been anticipated by the then ruling power in view of the fact that the revenue that they were going to levy was far in excess of the oppressive levy made by Mir Kasim about two years before the grant of the Dewani to the East India Company. (Field's Introduction to the Bengal Code, 2nd edition, pages 88 and 89.) Again, when after several years of experience the ruinous effect of the Settlement was brought home to the authorities they, instead of mitigating the rigour of the Settlement by revising the assessment, enacted the notorious Haptam Regulation (Regulation VII of 1799), which practically let the hungry zamindars loose upon the tenants and, to all intents and purposes, demolished all

vestige of the notion of the proprietorship of the occupier of the soil which endured through ages and through revolutionary invasions and inroads. About this Regulation Mr. Field says thus—"There is scarcely a country in the civilized world in which a landlord is allowed to evict his tenant without having recourse to the regular tribunals; but the Bengal zamindar was deliberately told by the Legislature that he was at liberty to oust his tenants if the rents claimed by him were in arrear at the end of the year, leaving them to recover their rights, if infringed, by having recourse to those new and untried courts of justice, the failure in which might be punished with fine or imprisonment." The object of this as well as some of the earlier regulations, e.g., XLVI of 1793 and III of 1796, appears to have been simply to ensure the income of the Company and "To guard against a permanent diminution of the public revenue" at the sacrifice of the tenants. So in our opinion the objects of the Permanent Settlement as stated in question 1 are not only not exhaustive but do not seem to point to the real state of things.

As regards the duties and obligations of the zamindars, it seems that at the time of the Permanent Settlement (1793) whatever pious wishes may have been expressed in favour of the tenants the main duty imposed upon the zamindars was to collect money from the tenants in order to pay punctually the dues of the Government. The Settlement, which reserved to the zamindars only 1/11th of the net profit after meeting collection charges and which enjoined strict punctual payment on severe penalties for failure, without making, at the same time, necessary arrangement for speedy realisation of rent from the tenants, cannot be called a measure of generous treatment. The zamindars felt that the Company wanted a regular and punctual payment and their duty was to collect money from their tenants. When they were unable to fulfil this duty the State came to their aid with rigorous legislation enabling the zamindars to collect rents from their tenants and thus it can be well conceived what impression this legislation, Haptam (VII of 1799), made upon the minds of the zamindars regarding their own duties towards their tenants.

The question whether the Permanent Settlement took away any existing rights from the tenants has been very elaborately dealt with by the historians. From time immemorial the occupiers of the soil had been treated as having a permanent interest in the soil occupied. Hindu sages are unanimous in declaring that proprietary right in the soil vested, to a considerable extent in these occupiers. Under the Muhammadan Rule, though in theory the king was regarded as the proprietor of the soil by virtue of conquest, still in practice the occupiers of the soil were allowed to continue practically as proprietors of the soil. State recognition to this was accorded by the Settlement of Todar Mal. Whatever may be the real position about which there is a great deal of

controversy, it is clear that the Permanent Settlement did not recognise any degree of proprietorship of the tenants. So the Permanent Settlement, it seems to us, took away the existing rights of proprietorship from the tenants. This inevitably led to controversies, oppressions, uncertainties covering over more than half a century till 1859 when and subsequently in 1885 the Government were compelled to recognise the rights of the tenants but only after inflicting untold miseries both on the zamindars as well as on the tenants.

Q. 2. This is a matter of history. It seems to us that the Permanent Settlement or subsequent Regulations gave wide powers to the zamindars, but there was limited scope for exercising those powers without causing oppression to the tenants. So far as the waste, uncultured and other khas lands were concerned they seem to have unrestricted powers of choosing their tenants and imposing any conditions on them, but as regards the lands already tenanted the powers of the zamindars seem to have been greatly restricted by custom and customary (pargana) rates recognised by Government. In the latter case also the oppressive Regulations XLIV of 1793, III of 1796, VII of 1799, V and XVIII of 1812 and later on Regulation XI of 1822 and Acts XII of 1841 and I of 1845 seem to have given the zamindars very wide powers enabling them to choose and impose terms on their tenants.

Q. 3. In spite of serious handicaps due to heavy taxation and uncertainty of their relations with the tenants it cannot be gainsaid that the zamindars have contributed largely to the economic development of the country since the Permanent Settlement. They have formed the bulwark of the State for protection of peace and order in the country. They have materially contributed towards the reclamation of waste lands. They have helped the tenants in times of distress and have also financed the tenants by loan or other grants to improve the agricultural lands. Their contribution in the domain of industrial and commercial development of the country is not inconsiderable. In the field of education and medical relief which indirectly helps the economic development their contribution is also large.

As regards the functions expected of them at the Permanent Settlement we have already discussed that it seems to us that the only function expected of them was to raise money and pay the Company punctually. (*Vide* page 109 of 5th Report, Cambray's Edition, 1917.) They failed to discharge that at the earlier stages owing to *inter alia* defects in the regulations, heavy assessments, courts' delay, want of power of distraint and low margin of their profit; but later on when means of speedy collection was prescribed they performed this function fairly well. But if it is conceived that their functions were to improve the economic condition of the country they have, as stated above, discharged their functions to a considerable extent. The zamindars

certainly took the Government as their model and in their limited sphere they generally tried to follow the Government as far as possible and it cannot be said that in any benevolent and beneficent enterprise of Government they did not come forward with munificent donations and other substantial assistance. Of course critics may point to some oppressive or indolent zamindars to refute the statement made above. But indolence is a curse which is inherent in the climate of the country and oppressions were in earlier stages sanctioned by law and it is not unnatural that they would continue in some cases in spite of subsequent prohibitions. Taking all things together we do not consider that the zamindars have failed to perform the functions expected of them at the Permanent Settlement to any considerable extent.

Q. 4. This is also a matter of history. But as far as we have understood the position of the zamindars at the time of the Permanent Settlement it seems to us that there were two main classes of zamindars at the time, one comprised the ruling chiefs or other Rajas, who, somehow or other during the Muhammadan Rule, acquired the hereditary right of receiving rents and otherwise enjoying profits of the soil or in other words they seem to have acquired some sort of proprietary right in the territories over which they ruled and the other class consisted of the collectors of revenue, who were called zamindars. The Permanent Settlement conferred the same status on both these classes and it has been rightly said that the former class was degraded and the latter elevated.

Q. 5. There cannot be any doubt that the annulment of the Permanent Settlement would be a breach of a solemn pledge given not only by the East India Company but by Parliament as well to the zamindars. (*See* Field, page 92.) The permanent zamindaris were ushered into existence by solemn declarations, Parliamentary enactments as well as Regulations of the then Government of India. The zamindars have, in consideration of the permanency of their interest, suffered loss, invested capital and undergone all sorts of trials and troubles in order to maintain themselves and to assist the State. The imperative necessity of bringing into being this class of landed aristocracy has been aptly described by Mitra in *The Land Law of Bengal*, p. 90, where it is stated "The East India Company would have been reduced to bankruptcy if they had not adopted the principle of Permanent Settlement—and that taking all things into consideration the State has not suffered—the ancient Rajas and the cultivators of the soil have suffered." So after enjoying the benefits of the Permanent Settlement to annul it without paying adequate compensation will not only be a gross breach of pledge and faith but also of moral and legal obligation. At the same time it is quite correct that the cultivators of the soil were totally ignored at the time of the Permanent Settlement.

The dumb millions suffered in order to satisfy the greed of the East India Company. In practice as well as in theory these people were regarded as owning considerable proprietorship over the soil but their case elicited only some expressions of pious wish in the Regulations. The settlement was permanent only at one end but it was uncertain, loose and fluid at the other end which concerned the tillers of the soil. In our opinion when both views appear to be correct the British Government should now come forward to make sacrifices that may be wanted of them, if necessary, to stabilise the position even at this distant date and give similar permanency to the tenants as is enjoyed by the zamindars. We propose to deal with this point more fully later on.

We do not exactly see how the Permanent Settlement has permanently crippled the financial resources of the country if "country" means the people. If, however, "country" means the State a permanent restriction has no doubt been placed on its financial resources. But it must be taken into consideration that for many years after the Settlement the State enjoyed an income largely disproportionate to the available resources of the country. Moreover, the restriction was not subsequently observed when new taxes on the profits of the zamindar and other landholders from lands were imposed in the shape of cesses or even income-tax.

Q. 6. In our opinion all the three elements enumerated in this question, that is (1) the increase in population, (2) the enterprise of tenants, and (3) the initiative and pecuniary or other assistance of the zamindars, contributed to the large increase of the area brought under cultivation since the Permanent Settlement. It is very difficult to apportion the credit among the elements. There is no doubt that the zamindars in order to save themselves had, after the initial catastrophe, to invest large sums of money and take other initiatives for increasing their income. But these would have been of little avail unless the pressure of increasing population and the enterprise of the tenants due to want, and increasing demands appeared on the scene. Field in his Introduction to Regulations of the Bengal Code, 2nd Edition, page 106, describes the position thus:—

"At the time of the Permanent Settlement but two-thirds of the land were under culture. A population, rapidly increasing in a country where there are no restraints on multiplication, soon brought the remaining one-third under cultivation in most districts, and the zamindars at once reaped the benefit in the shape of a considerable direct increase of rent. Another direct source of increase was to be found in the opening up of trade unfettered by internal duties (the same being abolished) and the ready market which surplus produce found in consequence." It seems, Mr. Field lays special stress on the increase in population in this connection. But the contributions made by the

zamindars cannot be ignored although there is difference of opinion on this point. Whatever may be the cause, the profits enjoyed by the present-day zamindars are certainly larger than those made by their predecessors at or soon after the time of the Permanent Settlement. But it cannot be said that they have been allowed to enjoy the entire fruits of their industry and good management. New taxes were imposed after the Permanent Settlement upon these profits, e.g., Road and Public Works cesses, Dak cess, etc. We do not like to enter into the controversy whether these taxes were just and proper, but they were certainly encroachments on the profits derived by the zamindars from lands settled with them permanently.

It should be borne in mind that the assessment at the Permanent Settlement was made not only on the existing income of the estates but also with reference to their future development. The contention that the zamindars are enjoying "unearned income" is falsified by the following extracts from Badon-Powell's Land Revenue & Tenure in British India, 2nd Edition, P. 158:—

"The Old Revenue Kanungos had still their official records of past collection (as well as their local experience) to aid the Collector in finding out the proper sums; and the totals were revised, in the rough, with reference to general considerations of the prosperity of the Estate, the value of its waste area, and its capacity for extension."

Q. 7. In the absence of adequate materials before us we are not in a position to deal with this question fully. But we may add that the vast increase in valuation is considerably due to rise in prices of the produce of the land resulting from better trading facilities and greater circulation of the currency. The increase due to enhancement of rent has been given in statement 16 of the list of statistical abstracts supplied by the Commission.

Q. 8. We have already stated that the zamindars did not receive much equitable or generous treatment from Government at the time of the Permanent Settlement and they in their turn had to take rigorous measures and inequitable procedure to save themselves and these were sanctiond by law.

Mr. Fawcus in dealing with the Chanchra Raj in his report on the Khulna Settlement (page 59) has pointed out how generous the treatment was. He states "The history of the family reads like a Greek tragedy and gives strong support to the view that the decennial settlement was too hastily made permanent without adequate knowledge of the zamindars' resources and with too great reliance on doctrinaire legislation which took but scant account of the temperament of the people it was designed to benefit." Further down at the same page he, after citing exception to the general debacle of the zamindars,

makes a significant statement, "The framers of the Regulations confused the ideal with the real: the well-known homily in Regulation I of 1793 'to discharge the revenue at the stipulated periods without delay or evasion and to conduct themselves with good faith and moderation towards their dependent talukdars and raiyats are duties at all times indispensably required from the proprietors of land' etc., proved vain words and the legislation intended to 'promote the future ease and happiness of the people' (Regulation I of 1793, Article VI) proved in most cases a source of ruin to the proprietor and oppression to the tenants."

It is, however, a matter of common knowledge that the zamindars in most cases treated their tenants with utmost consideration. In this district we know that some ancient zamindar families showed proverbial consideration for their tenants. As a result in spite of their fallen conditions at the present moment the members of their families are regarded with veneration and respect which may be envied by any philanthropic Government. Of course, there are instances of oppressive zamindars but the number does not seem to be so large as that of the former.

That the zamindars' treatment of the tenant is generous appears from Statement 9 of the list of statistical abstracts supplied by the Commission. It appears from that that the raiyati incidence of rent per acre in permanently settled estates is Rs. 3 whereas in temporarily settled private estates it is Rs. 4-6 and in the khas mahal it is as much as 4-11. In this district in certain temporarily settled estates the rental is as high as Rs. 12 or more per acre. Moreover, Statement X shows that the gross profit of the proprietors and the tenure-holders amounting to 126·4 millions of rupees does not seem to be very excessive compared with the total valuation of all produce, amounting to Rs. 1,435 mililons. But it seems to us that the average figures will not give us a true idea of the real state of things. There may be zamindaris where the landlords may be very exacting while in others they may be lenient. But on the whole it does not appear that even in spite of uncertainties of the relationship between the landlord and the tenant and wide powers given under the Regulations and although, as Mr. Field points out, "in 18 years after the Permanent Settlement it was found that the difference between the collections from the cultivators and the amount paid to Government had trebled"; the zamindars have shown much more consideration for their tenants than the Government showed to the zamindars or their tenants, so far as the rental is concerned. It may be true, however, that the oppression of the zamindars or their officers did not lie in the direction of the rental but lay in other directions namely, imposition of abwabs and other extra demands. This point has been lucidly dealt with by Mr. Field

in his aforesaid book, pages 75-79. It will appear that in the struggle between the landlord and the tenants due to uncertainty about any principle of assessment of rent the zamindars were not always in an advantageous position. The difference between the treatment meted out by the Government to the zamindars and that by the zamindars to the tenants seems to lie in the fact that whereas in the former case the revenue is fixed, in the latter there is no fixed principle. The fault seems to lie more with the Government in this respect than with the zamindars.

Q. 9. Section VII of Regulation I of 1793 seems to contain the duties imposed upon the zamindars at the time of the Permanent Settlement and we have already attempted to reply how far the zamindars have been able to carry them out. Absenteeism of the zamindars certainly, in some cases, leads to oppression by their officers and also deprives the tenants of the benefit of close touch with the zamindars. The tenants receive back much of the rent paid by them to resident landlords in the shape of wages and entertainments on ceremonial occasions. But instances are not rare in which these ceremonial occasions become a source of fresh imposition on the tenants. The resident zamindars, however, have got to live in amity with their neighbouring tenants and have also got to look after their moral and material welfare, whereas the absentee zamindars are only concerned with realisation of their dues. Although in the Regulation it does not appear that any duties were imposed upon the zamindars except in the direction of assessment and realisation of rent and improving the cultivation of the soil, the zamindars both resident and absentee have done much for the moral and material welfare of their tenants by constructing roads, excavating tanks, establishing schools, dispensaries, etc. We, however, believe that such duties though not expressely imposed upon the zamindars, were inherent in the proprietorship of lands, but in the absence of any definite provisions in the law we are not in a position to say that they have failed to discharge their duties even in these respects.

Q. 10. We have already discussed that the Permanent Settlement appears to have been introduced mainly in the interest of the Company. But after undergoing vicissitudes in which many people both zamindars and tenants have suffered untold miseries it has established a structure of society to which the people have become accustomed in spite of its defects and drawbacks. The zamindars as a class do not appear to be in very affluent circumstances at the present moment, but their position is gradually becoming intolerable owing to imposition of other duties of collecting new and fresh cesses. But still it cannot be gainsaid that the Settlement contributed to the rise of an influential section of people, namely, the middle class, who now seem to be the backbone

of the social structure of the country. Althougth the statistical figures do not indicate that the interests of the tenants have been excessively sacrificed for securing profits to the zamindars, the condition of the tenants does not seem in all appearance to be very happy. This may be due to visitations of nature, want of thrift, improvident habits, want of education, economic depression, increase in population, competitive prices of the produce of the soil, better standard of living, additional imposition over and above the rent, and in some cases, deterioration of the productivity of the soil. Were it not the case the condition of the tenants would have been much better in temporarily settled or khas mahal areas than in the permanently settled estates, but the condition seems to be the same, if not the reverse.

We may also note here than the precarious financial position of many of the present day zamindars is due to improvidence, extravagance, luxury, indolence, mismanagement and high standard of living appropriate to their position in society.

Q. 11. (*i*) From the figures given in the Statement X of the list of statistical abstracts supplied by the Commission it appears that very small part, i.e., about 9 per cent. only of the gross profits derived from lands is receivable by the proprietors and tenure-holders and more than 90 per cent. of the gross profits are intercepted by the raiyats, under-raiyats and other cultivators. It is not always realised what amount of difficulty the proprietors and tenure-holders have got to undergo in order to collect their own dues. The gross income that falls in their share is never fully realised. Not an inconsiderable part has often to be written off as unrealisable. Over and above this the charge of collection and additional cesses have got to be met by them. Besides, the proprietors have got to be punctual in their payment, but the same is not the case with the cultivators or with the tenure-holders excepting patnidars. Of course, it must be admitted that the cultivators' profits are subject to fluctuation due to failure of crops resulting from various unforeseen causes, but the figures conclusively show that the charge that the zamindars appropriate nearly 80 per cent. from the income from land is a myth. Even if the cost of cultivation, etc., is calculated at half the gross produce still the appropriation by zamindars will not exceed 18 per cent. of the net income from land.

(*ii*) It is, we think, true that the Permanent Settlement has led to subinfeudation of tenancies as it was felt necessary and encouraged by the State to save the precarious position of the zamindars, but it has resulted in the diminution of the income of the zamindars because the income of the tenure-holders has been practically carved out of the profits available to the zamindars. This subinfeudation is a natural result of the peaceful enjoyment of land for a long term of years. Such subinfeudation was not unknown even before the Permanent

Settlement and is very largely extant in temporarily settled areas also. Even during the Hindu period although the status of tenure-holders or any middleman in-between the King and the occupier of soil was unknown, the original proprietors of the soil, that is, who first came in and reclaimed villages, also inducted tenants upon their lands when the areas became unmanageable to be cultivated by the members of the so-called patriarchal family. In any case, as we have already stated, the Permanent Settlement no doubt encouraged subinfeudation.

(*iii*) It does not appear that the Permanent Settlement has on the whole led to any abnormal enhancement of raiyati rents. Of course, after the Permanent Settlement as we have pointed out above, the hungry zamindars were let loose upon the cultivators to make as much profit as they could out of the tenants, but it seems the invulnerable custom, which had survived commotions and onslaughts for ages presented a formidable bulwark against these deliberate and State-aided assaults. In the struggle no doubt many raiyats succumbed as also the zamindars and in many places the enhancement of rent was very great, but the statistics supplied by the Commission conclusively show that on the whole the enhancement of rent in permanently-settled areas compares very favourably with that in temporarily-settled estates and Government khas mahals. It also appears from Statement X that the ratio of rent payable by the cultivators to their landlords does not compare unfavourably with the ratio of revenue fixed under the Muhammadan or the Hindu system.

(*iv*) Soon after the creation of the Permanent Settlement and before 1859 the situation was harassing and oppressive to the tenants and revolt of the tenants against such oppression was not at that time unknown or infrequent. This was inherent in the nature of the Permanent Settlement and subsequent Regulations, but since 1859 the situation has much changed. At the present moment whatever influence the zamindars and tenure-holders exercise over the tenants is not mainly due to their position under the Permanent Settlement but to their activities in the economic field. The zamindars and tenure-holders are not only regarded as landlords but as the friends, philosophers and guide of the tenants. They supply the rural credit, they stand by the tenants at the time of the latter's distress and needs. They also arbitrate or settle disputes among the tenants and also serve to maintain the peace and order in the villages; otherwise simply as landlords any idea of their overlordship seems to be ridiculous. There may be cases of oppression even now here and there but they are nothing compared with the benefits derived by the tenants from their immediate landlords. These benefits have created a traditional respect in the mind of the tenants for their landlords.

Q. 12. We have by facts and figures with historical background shown that the Permanent Settlement was considered to be a necessary evil at the time when it was made. It no doubt led to certain evils, but at the same time it created a social and economic structure which has its merits too and after a struggle of almost over a century when the conditions have considerably settled down and the drawbacks of the system are being and can be otherwise remedied no lover of ordered progress of society would advocate the abolition of the Permanent Settlement without overwhelming reasons. The abolition will create a sort of revolution through which it will probably take another century to bring back stable conditions. The wisest course, as it seems to us, would be reformation by way of remedying the defects and not revolution by total demolition of the structure to which the people have become accustomed after a struggle of over 100 years. If it can, however, be proved that the abolition of the Settlement would result in real benefit to the tillers of the soil or to the country as a whole we should not stint any measure for the abolition of the system, but the materials at our disposal do not seem to justify our recommending this drastic course. On the other hand, if the life of the land-owning classes is made miserable by imposition of fresh tax on agricultural income and making realisation from their tenants difficult as the present-day tendency seems to be, we would strongly favour the abolition of the system. We shall deal with this point more fully below.

Q. 13. From the statistics supplied to us (*vide* Statement X) it does not appear that if the zamindars and tenure-holders are removed from the scene 75 per cent. of the raiyati assets would be available to the State coffer but the gross profits of the proprietors and tenureholders of about 12 crores of rupees may be available. If, however, the (*a*) cost of collection, (*b*) loss from profits unrealised, (*c*) additional cesses imposed upon the landlords, (*d*) interest of the capital outlay made by these land-owning classes, (*e*) additional cost incurred by them for assisting the State, and (*f*) the charge for maintaining charitable and benevolent institutions, etc., are taken into consideration we do not think that the income estimated from abolition of the Permanent Settlement will be actually available. We apprehend that if the abolition is resorted to for the sake of increasing the income of the State, it will simply lead to the oppression of the tenants and result in throwing thousands of people out of employment. If it can be shown that after meeting all the charges the State will make a net profit of about 12 crores of rupees by abolition of the system, which we very much doubt, we would prefer the abolition of the system by paying adequate compensation to the holders of the different intermediate interests between the State and the tenants. We are, however, fully convinced and conscious that the position of the intermediate tenure-holders and zamindars is precarious under the existing things owing to

(*i*) economic depression, (*ii*) revolting attitude of the tenants due to various iniquitous legislation such as Bengal Agricultural Debtors Act, (*iii*) importation of foreign revolutionary ideas, and (*iv*) also the imposition of the onerous duties of collecting cesses without adequate provision for prompt realisation of them or even the rent. Under these circumstances the imposition of any further tax such as tax on agricultural income will be simply unbearable. The result of such imposition will be crushing to the middle and landholding classes. It is much better that the interests of these classes should be bought off than that they should be crushed and annihilated under a ruinous system. The introduction of temporary settlement will lead to the very same conditions which existed before the Permanent Settlement and it is better that the State should bring itself face to face with the tenants and protect itself from subversive tendencies than make the landholding class the scapegoat of sins of other people. However much we may desire the retention of the Permanent Settlement we cannot advocate a system which will keep the shadow without the substance. If it is desired to give relief both to the tenants as well as other classes of people a fixed principle should be adopted for fixing the rent of the cultivators preferably with reference to the produce of the soil. We know that this proposal was several times mooted before and rejected, in our opinion, on insufficient grounds. If a maximum is fixed at a sufficiently low figure in order to meet various contingencies and provision is made for variation even within the maximum under certain specified circumstances, we think the objections raised may be met but at the same time there will be protection of the tenants against high rate of rent. Further the tenants will have in most cases a good margin of profit to maintain themselves. Again there should also be provision for liberal remission to all the classes of people from the proprietor down to the tiller of the soil in years of failure of crops and other visitations of nature. If on the other hand resources of the State have got to be augmented by imposition of fresh taxes on the proprietors and tenure-holders the abolition of the Permanent Settlement is considered by us to be the better alternative. We prefer this course because the State by which we mean the Ministry in power, will then be very circumspect in introducing legislation or giving encouragement to agitation, which will tend to raise exaggerated hopes in the minds of the tenants and thus indirectly incite them to create troubles. At the present moment it seems that the land-owning classes are regarded as parasites at whom both the Ministers as well as the agitators can cavil with impunity.

Q. 14. We have suggested abolition of the Permanent Settlement as an alternative measure under certain circumstances. If this suggestion is accepted we would certainly recommend that adequate compensation to the zamindars should be given. In giving this compensation the improvements and the actual capital outlay made by them and

the potentiality thereof should be taken into consideration. Where no such considerations will arise the price may be calculated at more or less 20 times the gross profits. Each case will have, however, to be judged on its own merits. We would like that the payment be made in Government bonds. It is not possible for us to give an estimate of the total sum required.

Q. 15. The bonds should be redeemable more or less after 20 years and carry interest at 3½ per cent. per annum.

Q. 16. We have to a certain extent indicated above the effect of the State purchase of the zamindaris on the social structure of Bengal. We think that the effect will be revolutionary. Many people will be thrown out of employment, the strong bulwark of ordered progress and development will be taken away. Socialism and communism will find a more fertile breeding ground, but the authorities at the helm of affairs of the State will be more sober, circumspect and cautious. In one word, the steel frame of the present social fabric will, to a considerable extent, break down. Of course, some people think that out of this chaos a much better order of things will emerge, but in our limited vision we cannot conceive how many generations it will take, if it takes place at all, to settle down.

Q. 17. We have already answered this question. If the Permanent Settlement is abolished it must be abolished root and branch. Retention of the tenure-holders will be inconsistent and incompatible with the abolition of the zamindaris. We have already stated that we cannot foresee of what advantage will all this abolition be.

Q. 18. A large collecting agency will have to be employed at a huge cost which it is not possible for us to estimate.

Q. 19. We doubt very much if the raiyats would prefer to go under Government direct as we do not think that the khas mahal raiyats enjoy any advantage over the tenants under the proprietors. Barring some oppressive people the landlords are generally more lenient to the tenants than the Government is to the raiyats in khas mahals. The rigour of collection, the incidence of rent and facilities for credit appear to be more favourable under the proprietors.

Q. 20. We have practically answered the question before. The subinfeudation has not entailed any additional burden on the tenantry; it has only curtailed the income of the zamindars.

Q. 21. We have already indicated our reply to this. The State purchase of all the tenures will lead to enormous increase in unemployment which in its turn will create confusion in society. On the other hand, it may give industrial and commercial bias to the middle-class people.

Q. 22. If the zamindaris and tenures are purchased by the State their homesteads and khas lands should be considered as raiyati holdings, the rent to be fixed with reference to the actual or probable produce, or, in the case of homestead lands, according to custom.

The criterion for the ascertainment of zamindars' and tenure-holders' khas lands will, in our opinion, be the quantity of land that is actually cultivated by hired servants and temporary bargadars.

Q. 23. The occupancy right of raiyats appears to have been first created by Act X of 1859, but the germ of it existed even in the time of Hindu rule when patriarchal family found the lands occupied by them to be too much for cultivation by themselves and inducted tenants upon them. The khudkasht raiyats of pre-British and British periods practically enjoyed the benefits of occupancy holding but the paikast raiyats were first admitted to this right under the aforesaid Act.

Q. 24. We have already dealt with this question. In the Hindu period, all the sages agree to think that the occupier of the soil who first came upon the land and reclaimed it, i.e., patriarchal families were the proprietors of the soil. The tenants inducted by them for the cultivation of excess lands were not necessarily the proprietors. Under the Muhammadan rule in theory it seems the king was the proprietor of the soil by virtue of conquest but in practice the tenants were allowed to remain as before. These people paid taxes to the ruling powers for the protection of their person and property in the shape of certain share of the produce of the soil.

The proprietorship of the soil enjoyed by the occupiers of it was certainly of a limited character as their enjoyment was subject to payment of their dues to the ruling power. The proprietorship of the tenants was generally dependant upon the residence in the village. Mr. Phillips in his Tagore Law lectures speaks of the khudkasht raiyats thus:—

"From the description I have given of the position of this class of raiyats, I think it clearly appears that they had proprietary rights of a very complete kind; but they do not seem to have been of that unlimited kind which we understand by a fee simple" (page 19).

Q. 25. We are strongly in favour of confining the occupancy right to the tenant actually cultivating the soil himself, through bargadars or by hired labour. It should not be extended to more than one grade of tenants. The subinfeudation by occupancy raiyats certainly leads to complicated and anomalous state of things. It stands in the way of adopting a fixed principle of fixing the rent on the produce basis.

Q. 26. We would recommend prohibition by statute any sub-letting by occupancy raiyats and any tenant sub-letting his land should be

regarded as a tenure-holder to the extent of the land sub-let and his interest should be dealt with in case of abolition of the Permanent Settlement in the same way as that of the tenure-holders.

Q. 27. The intention of the Permanent Settlement so far as the non-agriculturists are concerned, does not appear to be very clear. But we are in favour of giving the privileges of occupancy rights to all actual occupiers of the soil either for residential, agricultural or business purposes. In our opinion the non-agricultural tenants require the same protection and the same amount of certainty about their tenancy as the agricultural people. "In ancient times, the three principal sources of a king's revenue in India were his share in the produce of agricultural lands (vali), taxes levied upon homestead lands either in villages or towns (kara), and taxes realised from persons carrying on trades and industries (sulka)".—*Vide* Mr. Mitra's Land Law of Bengal, page 383. Again, "the word kara was used for money rent payable for land, as distinguished from a share of the produce of agricultural lands. The money rent payable for homestead lands by artisans, tradesmen and labourers, quit rent paid by persons who were favoured by the king and who held under royal grants, and all other taxes paid for the use and occupation of land or water came within this branch of revenue. In agricultural villages, a shopkeeper supplying articles to the agricultural population was required to pay the tax known as kara for his homestead land." (*Ibid*).

We do not find that during the Muhammadan period there was any change in the system. During the British period we find at page 385 the following:—"There are no legislative provisions as to non-agricultural lands, except such as are contained in Transfer of Property Act, the Indian Contract Act and stray sections in the Revenue and Rent Laws. Act X of 1859 and Act VIII (B.C.) of 1869, as I have said, did not touch the question of the rights and liabilities of tenants of homestead and other non-agricultural lands, though the ever-increasing population, agricultural as well as non-agricultural, demanded legislation. When Act VIII of 1885 was in course of preparation, an unsuccessful attempt was made to have a comprehensive code for lands agricultural as well as non-agricultural." Our recommendation that the non-agricultural holdings whether for homestead or other purposes should have the similar protection and privileges, as in the case of agricultural lands, finds strong support in the same book. The whole of the lecture XII is very interesting and instructive. We cannot resist the temptation of quoting the following: "To a nation which has the most sacred regard for the land where its ancestors lived, to persons who have extraordinarily deep affection for ancestral homesteads—dearer than heaven itself, the idea that no right can be acquired in homestead-land, however long

the period of occupation may be, is repugnant in the extreme. People have generally a notion that the holder of a piece of home-stead-land acquires by long occupation the right to continue in possession of it, and the legal profession and the judges have very frequently to undeceive them. The hardship of the law, as it is at present administered is well known."

Q. 28. We have already indicated that the statutory rights intended to protect the interest of the cultivator should persist in land which has been converted to use for non-agricultural purposes. But the rent of the land should be on the basis of its probable agricultural produce. On the business carried on this land income-tax may be levied according to law but the land should not be taxed twice over.

Q. 29 & 30. Yes, it is on the increase. It is due to the following reasons:—

(*a*) Economic improvement of some of the raiyat leading to acquisition of more lands than they can cultivate themselves.

(*b*) Acquisition of raiyati holdings by purchase by persons who are not cultivators themselves.

(*c*) Spread of education giving rise to a false sense of prestige and erroneous appreciation of the dignity of labour and add to these, the causes enumerated in question 30.

Q. 31. We have not ample materials at our disposal to supply the statistics wanted in this question. In our experience a considerable section of the bargadars also holds land in raiyati and under-raiyati rights, but we cannot say whether they form the majority.

Q. 32. We have already stated that the right of occupancy should be limited to one class of tenants (*vide* reply to question 25) and the rent payable by them should be fixed on a definite principle. By applying this procedure the bargadars will be saved.

Q. 33. The soundness or otherwise of the barga system depends upon the share of the produce payable to the landlord. Even if the system be unsound to a certain extent its abolition or future prevention will lead to serious and complicated results which it will be well nigh impossible to meet.

Q. 34. We do not advocate conferring occupancy right on bargadars for reasons indicated in the question itself. We may add the following:—

(*i*) It will stand in the way of fixing raiyati rent on fixed principle advocated by us.

(*ii*) It will lead to extension of occupancy rights to more than one grade of tenants.

Q. 35. In our opinion the maximum share of the produce may be fixed from one-third to half according to circumstances.

Q. 36. The wages of agricultural labourers depend upon the demand and supply. Ordinarily it varies from 4 annas to Re. 1 per diem. The position of the labourers appears to be worse than that of the bargadars and under-raiyats owing to the uncertainty of their employment and income.

Q. 37. We have reasons to believe that the unrestricted right of transfer given by the Act of 1929 has led to the passing of considerable areas of raiyati lands to non-agriculturists and that the further facilities given by the Act of 1938 has considerably increased this tendency. This is no doubt prejudicial to the interest of the cultivating raiyat in as much as if the economic depression continues and the price of the produce of lands does not sufficiently rise, it will lead to the conversion of the major portion of the cultivating raiyats into bargadars or labourers. However, under the existing state of things, the restriction of transfer of agricultural lands to agriculturists only is impracticable.

Q. 38. In our opinion the minimum size of an economic holding should represent the normal capacity of a plough and a pair of bullocks to cultivate. It will certainly vary according to circumstances, but the average may be taken at 15 bighas.

Q. 39. Our replies to the questions under question 39 are in the affirmative.

Q. 40. The consolidation of holdings for more economic cultivation is highly desirable, but there are serious difficulties in bringing it about. Some sort of co-operative system may be suitable but we are not sure if it can be made compulsory by legislation.

Q. 41. Special facilities indicated in this question are no doubt highly desirable; one of these facilities may be the conferring of the right of pre-emption on the nearest tenant possessing uneconomic holding.

Q. 42. Accumulation of large areas in one particular hand is no doubt undesirable because it will lead to the creation of a body of farmers, but we think it will be difficult to prevent this so long as occupancy rights are transferable without restrictions.

Q. 43. Coparcenary is not always detrimental to good cultivation. It is economic if the lands are jointly cultivated. In order to ensure this sort of joint cultivation restrictions may be placed on subdivision of holdings, but unfortunately the tendency of the present legislators is in the opposite direction.

Q. 44. It is very difficult to suggest measures to stop or reduce the evil effects of coparcenary and fragmentation in estates and tenures. The only method that suggests to us at the present moment is the introduction of some system of compulsory appointment of karta or common manager.

Q. 45. Our reply is in the affirmative as we have practically suggested this in reply to question 44.

Q. 46. As far as we have been able to read the history we think that it was contemplated that one of the means adopted by landlords for increasing their income or profits would be by enhancing the rates of rent payable by tenants. We proposed to deal with this subject more fully in connection with the next two questions, but here we may point out that Lord Cornwallis in his Minute, dated 3rd February 1790, suggested that one of the means of raising the income of an estate would be by inducing the raiyats to cultivate the more valuable articles of produce. This certainly indicates that the enhancement of rates of rent payable by tenants was contemplated.

Q. 47. This subject seems to have a checkered history and has been dealt with elaborately in the Great Rent Case, *Thakurani Dasi* vs. *Bishesswer Mookherjee*—3 W. R. Act X, page 29, and also in the letter of the Court of Directors, dated 15th January 1819. It seems to us that whatever implication there might have been in the use of the term "pargana rate" in the various Regulations, the whole trend of the various Regulations and the implication of conferring proprietary rights on the zamindars demolish any idea, that the framers of the Permanent Settlement might have contemplated, of the permanency and fixity of rate of rent referred to in this question so far as the tenants are concerned. Regulation VIII of 1793 enabled the proprietors and others to add numerous additional levies to the assal or original rate and to consolidate the whole into one specific sum. Regulation V of 1812 explained by section 2 of Regulation XVIII of 1812 gave unrestricted powers to the zamindars of imposing any terms of settlement on the tenants. Before this the zamindars could not settle for more than 10 years. In this connection the following extract from paragraph IX of the aforesaid letter of the Court of Directors will give us a true idea of the position:—

> "The inference seems unavoidable that the persons for whom the Permanent Settlement was made, and those who, by inheritance or purchase, may succeed them, are authorised by the existing law to oust even the hereditary raiyats from possession of their lands, when the latter refuse to accede to any terms of rent which may be demanded of them however exorbitant."

The judgment of Trevor J. in the Great Rent Case no doubt puts a somewhat different interpretation on the provisions of Regulations V and XVIII of 1812, but the conclusion is irresistible that even if there was any contemplation in the minds of the framers of the Permanent Settlement to ensure permanency and fixity of the rates of rent, it was entirely overshadowed by the concern of the Government at that period for the punctual realisation of the land revenue and they failed to determine or could find no opportunity to determine the rights of the raiyats. In other words, any such contemplation was subsequently given up in practice.

The position of the khudkasht raiyats existing before the Permanent Settlement was to a great extent safeguarded by later Regulations, but that of the raiyats who were introuced subsequently, was made absolutely precarious. "They were" in the language of the judgment of Trevor J. in the Great Rent Case "reduced into mere tenants at the will of the zamindars who might in any year eject them and place in their stead any tenant competing for the land." "It is in short" the judgment goes on to say, "introducing into this country competition in place of customary rents."

We may support our belief from another point of view. It is a historical truth that "consciously or unconsciously Lord Cornwallis was led to introduce an imitation of the English system of landed property. The State assumed to itself and made over to the zamindars its own supposed proprietary right of the soil, as if the cultivators had no right to hold land against the will of the Government and its grantees." From this point of view we cannot conceive that there can be any contemplation in the minds of the authorities to secure permanency and fixity of the rates of rents of the tenants.

Q. 48. Does not arise in view of our replies to the previous questions.

Q. 49. In our opinion it is not a practical proposition, nor have we got any materials for it, to reduce the rents of tenants to the level prevailing at the time of the Permanent Settlement. We have indicated above how the legitimate grievances of the tenants may be removed. Our definite proposal is that although we cannot go back to the level of the rent payable before the Permanent Settlement, we can at least go back to the principle of assessment of rent on the basis of the share of produce as prevailed in this country from time immemorial to the time at least of Shuja Khan's Subedari, which was considered the era of "good order and good government." The advantage of this system is that a sense of certainty will be introduced in the relationship between the raiyat and his immediate landlord. At the same time it will provide for automatic enhancement or reduction of

rent according to the price of the produce. Of course, if the assessment is made in money, calculation will have to be made on the basis of the price of produce of at least 10 years and it may have to be revised periodically on the basis of fluctuation of price. If, however, rules can be framed for realisation of rent in kind on the lines prescribed by the Ain-i-Akbari everybody's interest will be sufficiently safeguarded. In the former case provisions for liberal remission in case of failure of crops will have to be made, but in the latter case no such provision is necessary. The proportion of the share of produce for rent will have to be fixed according to the present conditions, but in no case it should exceed 1/6th of the actual produce of the land.

Q. 50. Does not arise.

Q. 51. The history, as we have read it and as we have indicated above, does not justify the conclusion that the intention of the framers of the Permanent Settlement was that all future settlements of waste lands should be made at the pargana rates.

Q. 52. We are in favour of a definite share of the produce. We cannot see how under this system the poorer land will pay higher rent in proportion. The poorer land will pay according to its poor produce and classification. In our opinion this system has an immemorial tradition behind it and seems to be the simplest and most equitable. Of course, as we have indicated above, the share may not be the same for all classes of land, subject to a maximum it may vary according to circumstances. The land may be divided into different classes according to its powers of production as was done under Todar Mal's systems. About Todar Mal's system the following quotation from Field's Landholding and the Relation of Landlord and Tenant (2nd Edition—page 439) may be helpful: "If the merits of any reform are fairly judged by results, the system of Todar Mal must be held to have proved beneficial to the raiyats and just to the State, seeing that it lasted without material variation for more than a century during which time the country was said to have been in a high state of cultivation and the raiyats in most prosperous condition."

Q. 53. We do not believe that any fixed principle is followed in settling the present rents paid by the cultivators. It is no doubt true that in practice rates differ for lands of similar value in almost every estate, if not in every village.

Q. 54. We do not think that as a general rule the poorer and weaker tenants pay higher rents. Now a days higher rents follow higher demands for the land.

Q. 55. We have already made our recommendations on the point. We are strongly of opinion that a fresh record of rights must be prepared on the basis of assessment suggested by us.

Q. 56. We have already answered this question. We may repeat here that subject to the maximum of 1/6th of the produce the share may vary according to the classification of the lands suggested above.

Q. 57. We have practically answered this question before. In our opinion the principle should be fixed in perpetuity, but if the assessment is made in money, revision of the rents may have to be made periodically to meet the fluctuation in prices. It may be done every 10 years.

Q. 58. We are against the substitution of an income-tax in place of rent. This will lead to perpetual friction and harassment.

Q. 59. The main defects in the principles and procedures for fixing fair and equitable rents and for enhancing rents in Bengal Tenancy Act are that (*i*) they have no relation to the actual produce of the land and they take the existing rent as fair and equitable, (*ii*) the mode of ascertaining the prevailing rate is faulty and may not be equitable unless the average rate of a much wider area than is contemplated in section 31 is found out. The prevailing rate of one or two villages under a grasping zamindar may be inequitably high.

Q. 60. The enhancement as a result of fluvial action should be divided between the landlord and the tenant as it is not earned by the labour of either. If the whole is given to the tenant, the proprietary right of the landlord is denied.

Q. 61. We would not object to enhancement on account of rise in prices provided the total rent does not exceed the proportion of the share of produce (1/6) indicated in our previous answers.

Q. 62. It is a very difficult question to answer. We would not object to enhancement provided the principle we have enunciated above is conformed to. We are not in favour of multiplication at the cost of the landlord or the State.

Q. 63. We have already stated that it is very difficult to ascertain an equitable prevailing rate. If, however, there are provisions for reduction, there should be corresponding provisions for enhancement.

We have no reasons to fear that at the time of either enhancing or reducing the rent improvements effected either by the raiyats or the landlords will not be taken into consideration. We do not, however, concede that the salami respresents rent paid in advance.

Q. 64. Yes, we are in favour of reducing high contractual rents and limiting rents for new settlement according to the principles enunciated by us in answering previous questions.

Q. 65. In our opinon there should have been provision for ascertaining and recording the quality of the lands of the different tenancies

and the nature of their produce. Without a knowledge of these factors we think it is very difficult to settle a fair and equitable rent. The presumption that the existing rent is fair and equitable seems to be defective.

We would also like that there should be provision for a record of non-agricultural interests also without which not only the condition of any estate cannot be ascertained but also the real economic position of the province cannot be found out.

Q. 66. There are some such estates. We may cite the following:—

Khararia Chota Zila—Zemindar Babu Peari Mohan Rai—Tauzi No. 171-72 Khulna Collectorate, now under the management of the Court of Wards:—

It is reported that the Settlement Officer allowed enhancement at 2 annas per rupee in four cases only out of 500 and rejected enhancement in rest of the cases. The Special Judge on Appeal decreed enhancement at the rate of 14 annas per rupee in all these cases. The references of cases may be supplied if required.

Q. 67. We believe that the revisional settlements are usually made with the primary object of enhancing revenue. At least in our experience we have found the tendency of the Revenue Officers to be so. At the last Settlement in this district it appears that out of 32 tauzis enhancement was effected in all but two cases. Of the latter in one case the assessment remained the same as before and in the other there was a reduction of 3 pies only.

Q. 68. In the last answer we have shown that in 30 out of 32 cases there has been enhancement. In the following case the enhancement is spectacular and seems to be unfair:—

Touzi No.	Previous assessment.	New assessment.	Increase.
	Rs. a.	Rs.	Rs. a.
919 ..	2,250 0	11,205	8,955 0
1005 ..	938 0	3,685	2,747 0
1006 ..	464 3	3,920	3,455 13
1016 ..	1,313 0	7,088	5,775 0
1017 ..	938 0	4,084	3,146 0
1018 ..	1,013 0	4,065	3,052 0
1019 ..	1,406 0	5,613	4,207 0

Q. 69. The enhancement of rent on the basis of previous 10 years' increase in prices at a time when the prices are going down is certainly faulty and creates an anomalous and difficult situation. The hardship on the tenants in this circumstance can easily be imagined.

Q. 70. The reasons for differing rates of rents for similar lands within khas mahals are obvious. They seem to be; (*a*) rents are settled without any fixed principle; (*b*) customary rate is no longer in existence; (*c*) over-zealousness of officers has led to introduction of high rates at some places, and (*d*) differing competition for securing lands in different areas.

Q. 71. It is a fact that in permanently settled areas remissions are very seldom given, if at all, and in khas mahal areas they are not given to a sufficient extent. The reasons seems to be the anxiety of the Government and their officers to prevent the revenue from falling to any appreciable extent. Rules may be made by conferring wide powers, not on paper but in reality, on the Commissioners and Collectors to grant liberal remissions in case of failure of crops.

Q. 72. Statement VI of the list of statistical abstracts has given the average yield of different varieties of produce and we have no materials to differ from it. The cost of the cultivation, however, is different for different crops. For paddy in some areas in this district it is very small and the maximum may be Rs. 16 per acre excluding only the labour of the agriculturist himself. The cost for the upkeep of the cattle is small as they are mainly fed out of the straw and other by-product and produce of the land. The depreciation of instrument is negligible, but the depreciation of the livestock is sometimes very great owing to the prevalence of epizootic diseases. Taking all factors into consideration we do not think that the cost exceeds Rs. 20 per acre including everything; it may be as low as Rs. 10 per acre, in some areas.

In case of jute the cost is increased by 25 to 50 per cent. according to the nature of the season.

In case of sugarcane the cost is not less than 3 times of that of paddy. It is needless to say that the cost of cultivation is the minimum in case of economic holding but for smaller holdings it naturally rises.

Q. 73. It is a matter of common knowledge that the productivity of the soil in this district is generally on the wane. The reasons are as follows:—

(*a*) Gradual rushing up of the saline water in the rivers thus increasing the saline areas.

(*b*) Due to (*a*) gradual extension of embankments and consequent prevention of deposit of silt in large tracts.

(*c*) Insufficient supply of silt-laden fresh water through the rivers of this district owing to their gradual decay.

(*d*) Absolute want of scientific manuring of the soil. People have got to depend upon the old method of manuring by cow-dung.

(*e*) Insufficient manuring in case of rotation of several crops.

The negligence of the Government to take any steps to improve the fertility of the soil is culpable. Some spasmodic efforts are made for distribution of seeds and manures in very limited areas without any regular system.

Q. 74. Very little advantage has been taken of the different Acts mentioned in this question for improving lands of agriculturists. There are inherent defects in all these Acts which make it almost impossible for the agriculturists to take any advantage of them. The main defect lies in the inadequate provision for advancing money for effecting any improvement. In this district some attempts were made to put into operation Bengal Sanitary and Agricultural Improvement Act, but want of facility for securing advance of the cost, the cumbrous procedure for preparing the scheme and of obtaining consent of the various departments and officers of Government led to the ultimate abandonment of the projects. The Acts are regarded more as penal or punitive than beneficial.

The Bengal Rural Development Act is a recent enactment and has practically not commenced functioning in this district.

Q. 76. Selami at the rate of 4 to 10 times the annual rent is realised from the tenants when granting settlement of raiyati holding to them for the first time. (*See* Crown Estates Manual, rule 88.) So far as we know, Government spends very little for the improvement of the agricultural condition of these lands after settlement. In this district some khals have been excavated and sluice gates constructed.

Q. 77. We have already shown that the general policy of the Government regarding the land system of Bengal has led to the uneconomic condition of the raiyats. Practically speaking at or about the time of the Permanent Settlement and till 1859 the policy of Government was uncertain and erratic leading to the obliteration of the customary rate which was mentioned in the Regulations as paragana rates. Since 1859 some steps have been taken to improve the condition of the raiyats but at the present moment it seems that there is a tendency to free the tenants from all obligations and thus creating a state of things which will ultimately re-act upon and ruin the tenants. Even now it does not seem that the Government has hit upon any fixed or systematic policy. In our opinion, as we have repeatedly stated before, unless equitable and fixed principles of assessment of rent and of

limiting the status of occupancy to a particular class of tenants are adopted, there cannot be any peace or prosperity among the raiyats.

Q. 80. We suggest the following for increasing the income of the cultivating raiyats:—

(*a*) Consolidation of uneconomic holdings into economic ones.

(*b*) Introduction of a system of growing crops by rotation where possible.

(*c*) Introduction of scientific methods of manuring and cultivating.

(*d*) Arrangement for securing proper markets for the produce of the soil.

(*e*) Introduction of some occupation of the cultivator in slack season, i.e., some sort of home industries.

(*f*) Introduction of co-operative system of marketing of the produce.

(*g*) Introduction of a system of cheap and easy rural credit.

(*h*) Training the agriculturists in the habit of thrift.

(*i*) Introduction of hygienic education.

(*j*) Improvement and proper preservation of livestock and insurance thereof.

(*k*) Adopting a fixed and equitable principle of assessment of rent.

(*l*) Improving the productivity of the soil by resuscitating the dying rivers and introduction of a system of irrigation where necessary.

(*m*) Reduction of stamp duties and cost of registration.

Q. 81. The increase in population is no doubt contributing to the poverty of the agriculturists but we do not consider that it is one of the main reasons. If adequate measures are taken for proper cultivation of the soil including lands which are still lying waste and for economic improvement of the cultivator by means suggested above, we believe this province can easily provide sustenance for its present population.

Q. 82. We are definitely of opinion that the pressure cannot be relieved unless more avenues of employment are found out. The employment of the people in army and navy and commercial enterprise, both inside and outside the country, is unfortunately very much restricted. Unless facilities in these directions are given by proper education and encouragement the mere creation of a number of coolies by employing them in Government aided factories will not solve the problem. We are surprised to be told that the only means of relieving the pressure lies in diverting the population to large industries that is practically by creating so many coolies.. We do not rule this out

altogether but if the measure is confined to this alone, it will cripple the capacity and potentiality of the nation.

Q. 83. No efficient organisation, Government or private, exists for supplying cheap and easy credit to the agriculturists. Agricultural credit can be improved by the following methods:—

(*a*) Establishment of a network of co-operative credit societies under efficient supervision with facility for securing finance and aids from Government so as to enable them to advance loans on easy terms with the minimum risk of collapse.

(*b*) Regulating the terms of loans given by the village mahajans by prohibiting high rate of interest but at the same time giving them facilities for easy collection. In our opinion this source of rural credit should not be allowed to dry up altogether.

(*c*) Provision for granting loans by Government through reliable agencies on easy terms.

Q. 84. We do not know on what materials the estimate has been made. Although unless the materials are placed before us, we cannot give any definite opinion, but, so far as we can see, we think that the estimate is exaggerated. We have already suggested in connection with the last question how any exorbitant rate of interest demanded by or due to the village mahajans can be stopped.

Q. 85. It does not appear that the co-operative credit societies have succeeded in tackling credit problem of the agriculturist to any appreciable extent. It is not due to the rate of interest which can be regulated or reduced at any time, but it is mainly due to bad inefficient State supervision and economic depression. It is a pity that such an institution fraught with so much beneficent possibility has been allowed to decay by—if we are permitted to say so culpable neglect. The co-operative societies have wandered far away from their aims and ideals. They are now no better than so many loan offices with even greater evils than are to be found in the latter. For want of proper propaganda, education and prompt and adequate steps, the character which is to be the main security of co-operative societies has lamentably deteriorated. It is unfortunate that measures have now got to be devised for checking the evils. The progress of the movement, so far as this district—nay the whole province—is concerned, seems to be at a standstill. During the economic depression when the societies should have received adequate assistance from the State enabling them to rise equal to the occasion they practically faltered and failed for want of such assistance. The people who are the members of the co-operative societies have now found out the flaws and loopholes in the law on the

subject and are now evading payments with impunity in most cases. They are now freely resorting to loans from village mahajans and other sources by hypothecating all their assets. The result is that the movement is practically on the verge of collapse and unless bold steps are taken with adequate fund of imagination the situation cannot be saved and a most helpful institution and strong pillar of good government will be destroyed. Up till now, so far as this district is concerned, we do not think that the percentage of agriculturists who are members of the societies will exceed 2 or 3. We do not know of any society which has actually succeeded in wiping out the debts of their members. In the Khulna Central Co-operative Bank some years ago a definite attempt was made in this direction and actually in one or two societies all outside debts were wiped out but within a few years the members incurred debts probably heavier than before.

Q. 86. In our opinion the Bengal Agricultural Debtors Act is an ill-conceived piece of legislation. The absurdities or iniquities of its provisions have been judicially noticed more than once and also have been severely criticised in the Press specially in the Calcutta Weekly Notes. We do not believe that this Act will confer any material benefit on the agricultural debtors. The cumbrousness of its procedure, the complexities of its provisions, by which powers wider than those enjoyed by judicial officers of long standing have been vested in a set of people who have got no legal training and about the honesty of many of whom there may be serious doubt, stand self-condemned. The result has been, in our opinion, inordinate delay in disposal of disputes, not infrequent corruption, very few awards on the basis of mutual consent of debtors and creditors and iniquitous and sometimes absurd decisions. In some cases it may appear that debts of certain agriculturists have been considerably reduced on compromise but in many such cases the economic condition of the debtor is such that even they will be unable to pay this reduced sum. This will inevitably lead to resort to certificate procedure. Although in this district the Act has not been in operation for full one year numerous certificate cases have already been filed. On the other hand the operation of the Act has raised high hopes in the minds of the debtors of evading the payment of just dues and many people who are not agriculturists in the proper sense of the term are taking shelter under its provisions. It has provided a shield for the dishonest people and is unduly hard upon the creditors in numerous ways, e.g., they have got to pay court-fees sometimes twice over, their absence is penalised while that of the debtors is condoned and so on and so forth. Its provisions for appeals are incomplete, inadequate and sometimes inconsistent. It is difficult to enumerate all its defects in the short space that may be available for answering a question of this nature. We would not have, however,

minded very much if this law would have really led to the improvement of the rural credit and liquidation of agricultural debts. It seems that it has completely dried up the sources of rural credit. The agriculturists are now-a-days not incurring any debt—because they are not getting any loan. They are now being compelled to part with their valuable lands by kobala for meeting their necessities of life. In our opinion this Act should be repealed without delay and powers should be given to Civil Courts to make equitable reduction of debts and arrangement for payment by instalments in suitable cases in which agriculturists are concerned. If the Act is allowed to work for any length of time the landlords, the banks including the co-operative societies and the agriculturists themselves will all be ultimately ruined.

Q. 87. This suggestion seems to be a good one.

Q. 89. The machinery available to the landlords for prompt realisation of rent after the amendment of the Bengal Tenancy Act of 1938 has practically ceased to exist. We cannot conceive how the tenants can be harassed in any proceedings permissible under the present law which seek to realise the just dues from them. In case of false claims provision may be made for penalties but the landlord should be armed with adequate legislation for prompt realisation of their rent. This can be done through Civil Court in the way suggested by the Select Committee of the Bengal Legislative Council at the time of the enactment of the Amendment of 1938 (published in *Calcutta Gazette* of 17th March, 1938).

Q. 90. We are not very much in favour of recovery through the Public Demands Recovery Act. We have already indicated our suggestion about the machinery for prompt realisation in connection with the last question.

Q. 91. We strongly favour the revision and modification of Revenue laws in one simple and more up-to-date form. Our reply to the latter part of the question is also in the affirmative.

Q. 92. In our opinion the revenue Sale Law may be amended by giving the defaulting zamindars and other persons whose interests are affected by sale an opportunity to deposit their dues with proper compensation within one month from the date of revenue sale.

The Cess Act may be so amended as to relieve the landlords from the task of collecting cesses from their tenants or in the alternative adequate provision for collection charges should be made. The rent-free tenure-holders should be made to pay their cesses direct to the Collector as it was the practice sometime ago.

Occupancy rights should be conferred on all resident tenants agricultural or non-agricultural, irrespective of the length of possession.

Q. 93. In our opinion the following economic effects will result from the Amendment Act of 1938:—

(*a*) It will deprive the landlords of a considerable amount of the landlords' fees.

(*b*) By affording easy facilities for transfer many raiyats will part with their raiyati holdings and will be converted into a class of labourers.

(*c*) The abolition of the speedy methods of realisation of rent will lead to difficulties in the realisation of rent resulting in the landlords running into heavy debts or losing their properties and the tenants in their turn will be ultimately saddled with heavy costs.

(*d*) Many of the usufructuary mortgagees who are no other than tenants themselves will be reduced to poverty by automatic extinction of the mortgages.

(*e*) The taking away of the landlord's right of pre-emption may lead to friction and litigation between rival landholders.

(*f*) Facilities given for subdivision of tenancies will lead to undesirable and uneconomic fragmentation of holdings.

The answer to the last part of the question has been supplied by the Statement XIV of the list of statistical abstracts.

Minute of Dissent by Mr. R. L. Biswas to the reply submitted by the Khulna Bar Association.

Q. 1. The pious wish expressed in Regulation I of 1793 would have been exhaustive of duties and obligation for a nation of the standard, the framers of the Permanent Settlement were but to a class of people who are lovers of ease, devoid of all sense of nationality, it was not only not exhaustive but a failure that brought ruins upon the tenantry, the entire domain of whose income, viz., the landed property having been totally left at the mercy of the zamindars, the framers were mistaken in not promulgating some cut and dry provisions for the economic and other allied safeties and welfare of the province.

The Permanent Settlement took away from the tenant the right of proprietorship in land in which they had an enjoyment of the same for a long time. There is no recognised theory in Muhammadan Law that the King was considered to be the proprietor of the soil or that the occupation falls short of State recognition to confer the same in land, which being a solitary interpretation on the version of the Qoran by Abu Hanifa finds no favour with the other Muhammadan jurists in theory or in practice and consequently the Hindu idea of proprietorship was akin to that of the Muhammadans.

Q. 2. That it was provided by the Regulations of the Permanent Settlement that the zamindars would influence their tenants to cultivate more profitable crops certainly has in it the force and intention that the zamindars being vested with powers would regulate the usage of the land to the economic interest of the province, where some European Indigo Factory Managers as zamindars set their foot towards this direction but having found the native zamindars robbing the tenantry right and left of their property putting them to inhuman tortures and very often driving them from their ancestral home and land at their very sweet will, the former class managed to come down far far below the highest standard of morality, the Englishman's concomitant boast to become a more formidable enemy to the ill-fated sufferers who were no better than common herd of cattle.

Q. 3. History does not record that the zamindars did anything materially for the economic development of the province which has got on the other hand in matters of reclamation the remarks of Messrs. Field and Baden-Powell strongly against them whose monetary advancement to the tenants in most cases was no grant but loan that had a sure promise of three-fold return at least, and their medical and educational relief can by no imagination be ascribed to their being zamindars who in consideration of their money and number have shown too little

inclination towards the same where non-zemindars' shares was no lesser in this province where commerce and industry having long been dead required none to play any part therein.

The English gentlemen on whom the task of framing the provisions of the Permanent Settlement fell were possessed of marvellous energy, great ability, the highest honesty of purpose, spotless integrity and strong sense of nationality, surely expected the same of the Indian gentlemen, the so-called proprietors, who were indolent, destitute of any sense of nationality as a result of the enervating climate of the province. What was committed to their mercy badly needed their endeavour, assistance, sympathy and encouragement for its economy and other sister developments promoting their national prosperity where their failure has been relentless. These persons, having no cut and dry rules imposing on them these duties and the expected requisite qualifications as aforesaid being wanting in them, did not rise above their lethargic habits and proved a total failure.

Q. 4. The persons who were entrusted with the rights and duties of proprietors were always revenue collectors in none of whom, from the study of the history of the real property of the province, we can conceive any right like that of proprietor, nothing to speak of any bigger one as is conceived by that word after the Permanent Settlement was concluded with the zamindars.

Q. 5. The word "pledge" must have a very poor significance. It could not have meant this kind of unholy deed which by no imagination can be conjectured to be a solemn one and that to do away with it is no breach of solemn pledge. It had no vestige of solemnity and the same having no legs to stand upon no amount of parliamentary actions, declaration or provincial enactment, done in sheer ignorance of the law of the land, can give it strength, sanctity and stability. Taking advantage of the ignorance that made them assume that they have the right to give the recipient with full knowledge that the giver had authority to confer deceived both the grantors and the owners whose presence not being requisitioned it was a sure innocent foolishness on the part of the Company's servants who, we are certain, could not have been prevailed upon to do this nefarious act if they had the knowledge of the law of the land but it was a crime pregnant with the highest kind of dishonesty on the part of the donees who can by no estimation of the English be allowed to enjoy the fruits of valuables got by deception that brought into being these unauthorised and illegal arrangements, the making away with which would by no means be a breach of solemn pledge irrespective of the donees' loss, troubles and investment, which we doubt very much, and if it was so they recovered beyond measures and human expectations from the tenants whose troubles, turmoils knew no bounds, and whose

sufferings pure and simple, bringing in no gains but loss, restlessness, uneasiness, famines and pestilence in crowd.

Of the three sources of finance, trade and industry being the foremost but beset with fears of loss, the Bengal moneyed men, indolent, lethargic and unenterprising as they were by nature found the zamindari after the Permanent Settlement to be a source of permanent income unfettered by any kind of apprehension of loss, pecuniary or otherwise, but pregnant with unfailing expectations of manifold gains with least exertions and decidedly set up themselves to acquire anyhow the rights of the so-called proprietors and disconnected themselves totally with the highest source of income for ever.

The only remaining source of income, agriculture (3rd source, viz., the income from services in foreign land being out of aspirations of an ease-loving, home-sick subject nation wanting miserably in zeal, fervour and honesty of purpose, and such other requisite qualifications), having the bad fortune to have fallen in the hands of classes of people devoid of common art and knowledge about agriculture in its true sense, unassisted by the so-called aristocrats whose help, sympathy and encouragement so badly they needed and who having very soon found that the revenue being fixed for ever and the rental ever increasing have been legislated to have no connection with the produce of the land, very wisely but unbecomingly from nationalistic view-point deliberately neglected to render any kind of help in most cases, produced the poorest income as an indirect but sure result of the Permanent Settlement which has beyond doubt crippled the financial resources of the province permanently.

Q. 6. I have already made out that the zamindars did materially not much towards the extension of cultivation. It was the pressure of population that demanded of the tenantry to exert themselves for the same of which we can safely ascribe 99 per cent. if not more, to the enterprise of the tenant goaded by the pressure of population.

Q. 7. On the authority of Mr. Field we find that $\frac{1}{3}$rd of the land of the province, remaining uncultivated at the time of the Permanent Settlement became cultured within a very few years on account of the pressure of the population and so we have no difficulty in arriving at the conclusion that $\frac{1}{3}$rd of 285 crores of rupees, the then existing rental, is the increment at the pargana rate, the rest minus the meagre negligible 1 per cent. of the zemindars' (endeavour ?) whose claim falls far below the same, is the result of enhancement.

Q. 8. I am at a loss to find out within the four corners of the provisions of the Permanent Settlement any scope of any ungenerous treatment accorded to the zamindars whose utmost penalty was the sale of the property gained as gift, the Baikunthabas being abolished

within the few months after the Permanent Settlement, that provided penal sections directly and indirectly encouraging inhuman tortures to be inflicted upon the tenants and consequently they were mercilessly belaboured, taxed with heavy fines and punished with whimsical imprisonments to escape which they were forced to flee away from their lands leaving behind their ancestral home and property in which they had some few days before the proprietary right as fruit of their labour and industry that cost them their life-blood and lives very often. Experience found very very few exceptions that were due to the exceptional benevolent temperament of the particular man totally unconnected with his being a Bengal zamindar whose natural tendency has been found to be the reverse.

The prevalence of somewhat higher khas mahal rate of rent which is the uninfluenced creation of the tenants themselves is a poorer instance of ungenerous treatment of the Government towards the tenants whose lesser rents under the permanently settled estates was in most cases forced to be competitive as a result of intrigue, tortures that multiply and never lessen the guilt which becomes palpable if we take into consideration the net income from the land.

Q. 9. I have already pointed out that the zamindars did very little to improve their estates by industry, enterprise and good management and given the reason thereof.

Besides other duties they were wanted to regulate the usage of the land to the economic interest of the province and to treat the tenants generously as they were treated by the Government whose expectations were a total failure where absenteeism has very little to do in consideration of the fact that absenteeism is a sure loss when the zamindar is a benevolent one but a greater boon when he is a tyrant.

Q. 10. Considering the astounding national character of the framers of the Permanent Settlement, so far we can conjecture, it was so, though it has resulted otherwise leading to a revenue system that by no means is beneficial to the province but only to the advantage of the landlord at the expense of the tenant and the same not only not has any reference to the produce of the land but provides for higher gains to the landlords, and bigger loss to the tenants.

Q. 11. The gross income of the province from paddy is 934 million rupees, from jute 166 million rupees and from other crops 335 million rupees; the lowest cost of cultivation amounts to 911·5 million rupees for paddy and 161·4 million rupees from jute and 313·2 million rupees for other crops leaving a total income to the tenants to the extent of 50 million rupees after payment of rent and the same brings a net income of 200 million rupees before the payment of rent. Deducting the cost of collection at 10 per cent. which is fair but much

above the actual cost as it is now incurred we get 180 million on both the sides of which 80 per cent. goes to the landlord and 20 per cent. to the tenant after payment of the Government revenue.

(*ii*) It having become a source of permanently fixed and sure income unfettered by any apprehension of loss and the promise of bigger gains with lesser efforts has always been the object of temptation on the part of the Bengal moneyed men who were ever alert not to lose any chance to acquire the same and subinfeudation was ever increasing as a result.

(*iii*) The Permanent Settlement Regulations, having provided no clear cut provisions for the safeguard of the interest of the tenant whatever may have been the expectations of the framers of the same, resulted in an enormous enhancement of 80 per cent. of the total rental.

(*iv*) The Regulations inducting in the Permanent Settlement, having conferred the proprietary right on the zamindars and placed the tenants at the sweet will of the same, created a system of overlordship in zamindars over the tenants with whom it might not have been so and far less harassing and oppressive, had the expectation of the framers of the same been fruitful but for the enervating Bengal climate that has rendered its people a most miserable race devoid of any sense of nationality.

Q. 12. I do advocate the abolition of the Permanent Settlement on all the grounds and in doing so though I can forego the other grounds ground No. 1 stands formidable in the way, legally, equitably and in all other considerations from a nationalistic viewpoint.

Q. 13. I prefer the first because it will bring the largest good to the people and more so the State will have the largest latitude to swell its coffers.

Q. 14. On behalf of the tenants hence the nation we can surely presume to say that the State is neither legally nor equitably nor from any other considerations bound to compensate the zamindars who with their donors have brought this state of things into existence in absence of the rightful owners and they alone are to reap the fruits of their actions which have given them many times over their investments, if any, at the cost of the people, the innocent victims in the game, but from brotherly feeling I am actuated to recommend for them a moderate khas landed property for each for the maintenance of the existing family and initial expenses for cultivation of the same for the first year and a gratuity if necessary to maintain the family until the crops in the said lands are ready for sale without consideration of the size and income of their estates. The principles of this line of work, but more drastic than mine, have been very recently enunciated by the Bengal Cabinet in matters of usufructuary mortgages, every one of whom did advance a sure sum which in 75 per cent. cases could not only fail to bring back any portion of its principal but the major portion of

the proper interest in majority of cases. I feel no hesitation in making the above recommendations for the zamindars whose acquirements were gifts, fruits of no toil, gain manifold over the investment, if any.

Q. 15. Does not arise.

Q. 16. We do not advocate State purchase but abolition *in toto* of the zamindaris on the lines suggested above which may seem to have scent leading to revolutionary ideas but not revolution itself which is not uncovetable even to bring about a change that leads to the happiness, prosperity of the nation and affluence of the national wealth and idea.

Keeping intact the whole set of honest officers of the zamindars as State servants it will be an easy task and surely will not cost the State 12 crores of rupees but a small portion of the same not exceeding 25 per cent.

Q. 17 and 18. Nothing to comment.

Q. 19. Whomsoever I have come across among the cultivating tenants and whosoever understands that the surplus income from rents that goes to the zamindars brings no gain so to say to the people or the State but meets the fancy of a handful zamindars and would become the wealth of the nation at their sweet disposal prefers Government to the zamindars notwithstanding the rigour of prompt realisation which, the majority of them declares to have more beneficial effect in the long run for a poorer people who find, in 90 per cent. cases, impossible to clear out the accumulations whatever leniency be shown to them and ultimately does it ruin the objects of favour who in these days of hard economic depression long no doubt for some lowering down in the present rental, the rate of which though somewhat bigger in the khas mahal areas being their own creations for no fault of the Government is no deterring factor when they consider the rate under the zamindars in permanently settled estates, where it is though somewhat lesser but speaks volumes where force, coercion, fear of fine, jail and forfeiture are recorded in blood in abundance.

The kharcha or the private expense in the shape of aiami, parbani, etc., ranging from one anna to eight annas in the rupee, majority verging on four annas, is seldom known in khas mahal and there if it ever has any existence as a result of resignational and prayful attitude of the collecting officer (tahsildar) who pleads poverty for some sort of assistance in that shape and invariably a trifling sum generally one anna in the rupee and that very secretly behind the knowledge of the authorities who in the permanently settled estates sanction the same and turn a deaf ear to it when complained of while the khas mahal authorities readily take steps to redress these evils if they ever come to light.

Prompt action against common calamities becomes possible on account of the closer touch of the Revenue Officer who is very often the Subdivisional Officer. The prompt realisation brings more good in the long run to a poorer people whom accumulation ruins and if tempered with mercy is an heavenly bliss.

Q. 20. By Regulations the fixity of a low revenue being a concomitant qualification of a proprietor's right that was unassailable by any emergency whatsoever, the Bengal moneyed man were ever alert not to loose any chance of purchasing or creating a tenure which provided the intending tenure-holder and the proprietors in need with greater facility of subinfeudation and subinfeudation went on ever increasing.

The Permanent Settlement, having had wrested away the right of proprietorship in the land from the tenants, having had vested the same in zamindars whose right and title now vested in the permanent tenure-holders at whose sweet will the tenants were obliged to be placed and having had introduced a revenue system that had no reference to the produce of the land, encouraged enhancement beyond human expectation and more so when it provided that scarcity is to bring in a bigger increase. That has left the tenure holders immensely in affluence and the tenants in relentless poverty. They needed help very often as loans and the same being supplied in major cases by the so-called aristocrats who have got an immeasurable influence over the people of the province created a high social position of a god-chosen class as overlords on one side and thousand times down of the cursed people on the other, the heaven-born masters and their unpaid servants.

For the causes enumerated the so-called aristrocats have wisely been too averse to make any attempt whatsoever to improve the produce of the national wealth a highly major portion of which goes to their purse never to come down to any good to the State and the people. The nation, whose trade and commerce being beset with probability of loss, has decidedly shunned and consequently buried them, has silted up for all times to come all chances of the augmentation of the national wealth.

Q. 21. From what has been stated in answering previous questions we can presume and our presumption is pregnant with highest probability of a fact that a covetable state of things would come to pass by abolition of the zamindari nothing to speak of its State purchase, befitting for every one of His Majesty's honourable subjects, all amity, all peace, all happiness, overlordship gone for ever, equality to its probable extent, prevailing commerce, trade flourishing and all other inlets opening for the augmentation of national wealth.

Q. 22 and 23. Not attempted.

Q. 24. I have already made my submission that all the ancient Hindu and the Muhammadan jurists except the solitary departure of Abu Hanifa, whose statements are neither supported by any other version nor by practice, are unanimous that the first occupant of lands is the proprietor of the soil subject to the share of the State for affording protection of persons and properties, the right which is complete in all respects but not so as to reach that standard known as fee simple in England.

Q. 25—36. Not attempted.

Q. 37. I agree with the Bar Association Committee of Khulna with these exceptions that I advocate restriction to agriculturists alone which no doubt may lessen the value to some extent but the same having provided them with some outlets of help when needed at the same time has the most welcome result of saving them from the fear to be thrown into the state of paupers. Practicability of a more rigorous measure, viz., total restriction having been proved practical for about a century and a half, I am at a loss to find out how it does behove in the mouths of those advocating total restriction by legislation to say that partial restriction is impracticable.

Q. 38. The minimum size of an economic holding is ten bighas, i.e., 3½ acres, the same being manageable for cultivation by a tenant with the help of a pair of cattle and a plough.

Q. 39—46. Not attempted.

Q. 47 and 48. As regards whether the rents of the raiyats existing at the time of the Permanent Settlement was meant to be fixed by the framers, who being of conservative turn of mind as the English of the time were who have greatest regard for existing state of things, it can by no means be taken to mean otherwise. The mention of pargana rate, the same amount of generous treatment accorded to the tenants in the Regulation itself over and above the fixity of revenue, the Regulation VIII of 1793 urging the amalgamation of all kinds of extra levy for which there was no certainty whether it was part of the rental or not, lend support and speak of a measure for detection of future extra levies. All the views are supported by Justice Trevor in the Great Rent Case (3 Weekly Reporter, Act X, page 29); the wordings of section 50, sub-clause 1 and section 6 of Bengal Tenancy Act lands strong support to the view that the existing rent should remain unaltered.

Q. 49. From the reading of the wordings of section 50(1) and section 6 of the Bengal Tenancy Act, we can presume that the Government was willing to give fixity of rent to some tenants and if this procedure is thought of sufficient to find out that class of tenant existing at the time of the Permanent Settlement our task becomes easier;

though it is impossible for any one to find out what was the prevailing pargana rate fixing the rent for each tenantry but by calculations we can reach to an average rate. The total rental of the province would have been 380 crores of rupees at an average rate of Re, 1-2 annas per acre; both these factors working together can give some relief to a considerable number of people who are able to prove their fixity of rent for 20 years at least before the last record-of-rights, a more recent period would make the case stronger if the landlord is unable to find out any enhancement in his rental before the last record-of-rights.

I have graver reasons to differ from the opinion given by the Bar Association Commitee and strongly condemn the enhancement even up to 1/12th of the total produce, nothing to speak of 1/6th; 1/6th of the net profit is fair.

Q. 50. If it was the intention for all classes of tenants it was surely a mistake on the part of the Government but not so if the existing tenants at the time of the Permanent Settlement were meant, for their interest was safeguarded by section 50, sub-clause 1 and section 6 of the Bengal Tenancy Act.

Q. 51. The answer to question 49 clears the case. We have very little material at our disposal to say so. On the other hand we are confronted by overwhelming Regulations which become meaningless if fixity of rent were meant for all classes of tenants.

Q. 52. A definite portion of produce is suggested to be equitable and I agree to 1/6th of the total produce deducting the cost of cultivation on the principle advocated by me.

Q. 53. The rate under the Government in khas mahals is 90 per cent. competitive and that in the permanently settled estates whimsical to the equal extent; the majority of the cases can never be ascribed as lump rentals.

Q. 54. It cannot be called a general rule that the poorer the tenant the higher the rent. Whims, coercion and fear of forfeiture and fine and jail have played the part, the ratio of which is unascertainable.

Q. 55. On produce basis, taking into account the cost of cultivation and on preparation of fresh record-of-rights made by classification of lands.

Q. 56. Not attempted.

Q. 57. The principle should be fixed and when money value is put to the fixed share of the produce fixed as rent it should be revised at least once in ten years.

Q. 58—65. Not attempted.

Q. 66. In matters of the tenants of mauza Kaliganti and Shibpur in Khulna district under tauzi Nos. 171 and 172, Khulna Collectorate, of Khararia Chhota Zilla, Babu Peari Mohan Ray, only in 4 cases out of 500 the Settlement Officer allowed enhancement at the rate of 2 annas in the rupee while the Special Judge enhanced the same at 14 annas per rupee in all the cases.

Q. 67—71. Not attempted.

Q. 72. The average yield per acre of jute in the province is Rs. 73 per acre from jute and Rs. 36-6 per acre from paddy, while the cost of cultivation of jute per acre is Rs. 71 and for paddy Rs. 35-8 per acre.

Q. 73—76. Not attempted.

Q. 77. From what has been discussed so long I am of opinion that the system of land tenure in Bengal is directly and indirectly responsible for the present economic uncertain condition of the raiyats. Practically, the greatest relief to the raiyats shall come by total abolition of the Permanent Settlement whereby ample money can be had at the disposal of the State whereby agriculture, commerce and trade may be given further facilities, and medical and educational institutions their due share for improvement. If it be wanted to keep it intact income-tax be fixed on income from land so as to augment the sources of income of the province but in my opinion it is an adoption of a poorer means.

Q. 78. The average income of a raiyat from his holding per year is Rs. 2-8. Accepting the average income of an Indian to be that of a Bengal agriculturist, we find his income to be as follows:—

(*i*) 4/5th pie per head from holdings;

(*ii*) 1 anna 3 pie per head from labours in the field;

(*iii*) 2 1/5 pies per head from other sources, or in other words 4½ per cent. of the agriculturists maintain themselves from the holdings;

(*iv*) 83 per cent. from labour in the field.

(*v*) 12½ per cent. from other sources.

Q. 79—82. Not attempted.

Q. 83. We differ from the opinion given by the Bar Association Committee at Khulna in the following:—

The effect of the facility of transfer given by the amendment of the Bengal Tenancy Act of 1938, on the tenants beset with the apprehension of the raiyat being driven into the state of a pauper may be avoided by restricting transfer to agriculturists.

Reply by the Malda Bar Association.

Q. 1. It is right and proper that proprietary right in land should remain with one who lays out labour and money for its cultivation and improvement. This wholesome principle has not been taken into account by the authors of the Permanent Settlement creating a class of middlemen between the Government and the raiyats. It appears that zamindars did not always faithfully discharge the duties expected from them in as much as they did not always extend to their subordinate tenants the same generous treatment which they were to receive from Government by the Permanent Settlement. The old race of landlords who were *bap ma* of their tenants is almost extinct. Lured by modern civilisation their successors are not much mindful of their tenants who have to shift for themselves in hours of trials and tribulations. The recent legislation in the Bengal Tenancy Amendment Act had the soothing effect to some extent on the unhappy life of Bengal tenants, without inflicting serious blow to the landlords regard being had to the illegal and excessive exaction resorted to by them or their employees. In spite of its demerits the Permanent Settlement has taken root in the mind of the people who are so much used to it that any violent and sudden departure from it will injuriously affect the country and its people.

Q. 6. The large increase in the area brought under cultivation since the Permanent Settlement is mainly due to increase of population owing to influx of people from other provinces and enterprise of the tenant. The landlords' contribution towards furtherance of the improvement is quite negligible.

Q. 7. The abnormal increase in rent roll of the permanently settled area since the Permanent Settlement may be ascribed mainly to inequitable enhancement of rent and increase in cultivation and reclamation of waste lands by the efforts of the tenants.

Q. 8. The zamindars' failure to secure to their tenants generous treatment expected of them may be traced to their illegal exactions and inequitable enhancement of rent of tenants.

Q. 9. It is expected of the zamindars that they should spend a greater portion of the year among their tenants to be in touch with them and sympathising with them in their weal and woe. Besides tenants are to some extent benefited by the expenditure for necessaries or luxuries incurred by zamindars at home amidst their tenants. But they are deprived of such benefit if the expenditure is made elsewhere by the absentee landlords. Out of sight is out of mind and lack of mutual cordiality is the consequence.

Q. 10. The Permanent Settlement was no doubt in the interest of the country economically and for the greatest good of the greatest

number. But as the landlords' failure to carry out faithfully their part of the contract the result has been to the advantage of the landlords at the expense of the tenants. If the landlords listen to the call "back to the country", live in the midst of their tenants sedulously and synthetically looking after their needs and welfare, a good result will surely be achieved.

Q. 11. The grounds enumerated in the question assailing the Permanent Settlement are no doubt true to a considerable extent, but in spite of their faults and limitations the landlord class cannot be dispensed with regard being had to their useful function of standing between the Government and tenants shielding the latter in times of trying difficulties.

Q. 12. The Permanent Settlement must subsist for the benefit of landlords and tenants alike provided the landlords mend their ways to suit the present economic distress, contemplating which the recent Tenancy Amendment Act came into force.

Q. 19. The raiyats would not to my mind prefer to come under Government and pay rent to it direct. If the landlords try to approach the ideal expected of them by the Permanent Settlment the tenants under them will not envy the khas mahal tenants.

Q. 29. In some parts of Bengal the number of bargadars, adhidars and other cultivating on a share of the produce is on the increase owing to poverty as they cannot afford to have a land of their own or sufficient quantity of land.

Q. 34. The effect of giving occupancy right to bargadars would be disastrous to them as in that case no one will be willing to part with their lands on barga system and the bargadars will be thrown out of employment.

Q. 35. The general practice is that after reaping the produce cost of reaping is deducted therefrom in kind and then the balance is equally divided between the bargadar and the owner of the land. This seems fair and no legislation for fixing maximum seems necessary.

Q. 86. The operation of the Debt Settlement Board has been weighed in the balance and found wanting. The constitution of the Board is made of such persons as have no tact or experience in compromising cases and the result in generality of cases is that neither party is benefited in the long run. To make the Board really useful it should be presided over by a Judicial Officer or such cases should be tried in the Civil Courts. The Board seems to be elated with its power under section 34 of staying pending legal proceedings in all courts from the High Court downwards. The legislature intended to benefit the agriculturist but in actual operation the agriculturists have been put to great difficulties as all the sources of getting loan from anywhere are practically stopped.

Memorandum by the Midnapore Bar Association.

To deal with the questions separately seems to me impracticable and inconvenient. For, one will overlap the other, and repetition will occur now and then. So, I propose to answer them jointly, keeping in view the intentions of the framers of these questions.

The answer to the questions depends chiefly upon the answer to the questions whether the present zamindari system is a boon to the country and whether it has any historical data behind its back, or whether its abolition is for the welfare of the general mass and whether it is supported by the customary law of the country.

In order to find out a satisfactory solution of this, we are to look back to the pages of history. Broadly speaking, there are three periods in the annals of our country, viz., the Hindu, the Muhammadan and the British. During the Hindu period, property in land belonged to all the members of the community; or in other words, earth was the common property, just as air or water. Just like the Roman jurists the Indian sages believed property to be in the first occupation or occupation (of *res nullius*). Thus we find in Manu (Ch. IX, v. 44) "স্থাপুচ্ছেদস্য কেদারমাহু স্থালাবতো মৃগম্।" i.e., a land belongs to him who cuts and clears away the jungle on it exactly on the principle that a game is his who has first pierced it.

But Manu also recognises that the king is entitled to a certain share of the produce of the land in the occupation of the subjects. This would indicate that neither the subject nor the sovereign is the absolute or exclusive owner of the soil, but something less. All authorities from the time of the Rigveda down to the Dayabhaga agree that the sovereign is not the owner of the soil. The king was entitled to a certain share of the produce, not because he was the proprietor, but because a share was payable to him for the kind protection given to life, property and liberty. And these kings were numerous, occupying different parts of the country.

Next for the purpose of collecting these shares of the sovereign and for internal administration, peace and justice, the whole country was divided into different grades of villages with a headman for each; e.g., lord of a single village (গ্রামাধিপতি) lord of ten villages (দশগ্রামাধিপতি), lord of hundred villages (শতগ্রামাধিপতি), and lord of 1,000 villages (সহস্রগ্রামাধিপতি). This headman was selected by the people and appointed by the king but removable at his pleasure. In some cases, he was allowed an emolument, e.g., nankar lands, while in others he was allowed a certain portion of the king's share. He,

in his turn, maintained peace in the country and collected the king's share of the produce from the persons, who were generally known as the khudkasht raiyats. These persons cultivated their respective lands either themselves or by members of their families or by hired labourers, and they had a permanent, hereditary and transferable interest in lands. They are now, to a some extent, represented by the present mourasi mokarari holders.

In course of time, due to pressure of necessity, another class of temporary tenants, namely, the paikasht raiyats arose. They were the inhabitants of the nearest villages and were introduced by the khudkasht raiyats themselves. When, due to superior skill and better management, a khudkasht raiyat acquired more lands which he could not manage to cultivate, or when a share fell to (1) a female who could not do the necessary things with her own hands, or (2) to a person who due to ease-loving nature would not perform the duties of cultivation, or (3) to a person of higher caste who thought it beneath his dignity to do the manual labour, these persons were brought in; and they, in their turn, would undertake to cultivate the lands and pay up the Government dues and give a share to their lessors. This additional share represented the ancient form of rent in India and in the process of evolution, these paikasht raiyats were given a status somewhat similar to that of the occupancy raiyats of to-day. Thus sprang up a considerable number of middlemen. This is the ancient relics of the present tenure-holders, which we now find in abundance. And here the Hindu chapter is closed.

Then came in the Mussalmans with a different notion. Gradually they conquered the country and settled in the land. But in practice, they adopted the Hindu tradition and custom and went on as usual with a slight variation here and there. Here, for the first time, we find a reference of the term, "zamindar". It means "possessor of lands by virtue of an office under the Crown, or by virtue of functioning some of the duties, attributed to the sovereign." These zamindars originated probably from the following sources:—

(1) Headmen.

(2) Ancient rajas who have been reduced to the position of subjects but retained the internal administration of their territories. Descent through primogeniture goes to prove this.

(3) Freebooters who came to terms with the Government and paid a tribute for the tracts which were under their control.

(4) Military chiefs who were paid by assignments of the royal revenue of the specified tracts.

(5) Farmers of revenue: Sometimes, revenues from specified tracts were assigned for the support of civil officers. Some of these officers, especially the ministers, household officers, and the personal staff of

the sovereign could not reside in the tracts and collect the revenue. This compelled them to make an arrangement, generally known as "farming" under which the farmers were given the right to collect the revenue and to pay a specified sum. Afterwards in some cases this system of farming was also adopted by the sovereign in respect of collections of Government revenue.

The incidents of a zamindar were these—

(1) He was liable to be dismissed.

(2) His interest was inalienable without the sanction of the Government.

(3) Though generally his eldest son succeeded to his position yet a sanad from the sovereign authority was required for confirmation.

(4) There was a chain of officials to supervise his duties.

(5) He was allowed a very small portion of the share of the produce as his remuneration.

(6) He was to perform many other duties which were not necessary adjunct of a landed proprietor.

From the above, it would seem to indicate that zamindari was an office, and not property in land. But in course of time as the central power began to decline, these zamindars grew in power and usurped some of the functions of the sovereign and acquired a local influence.

At this stage the Britishers made their appearances and slowly brought the whole country under subjugation. On a mistaken idea that these zamindars were the actual proprietors of the soil, they at first settled the land revenue with them temporarily for a term and afterwards made it permanent in 1793. In doing so, the Government had two objects in view: (1) the security of the revenue, and (2) the improvement of the land. A view was taken that if the revenue was fixed in perpetuity, the zamindar would have the greatest inclination to improve his asset in the knowledge that anything he could have made out of his estate over and above the land revenue would be his private property without any further imposition. It was further expected that the zamindar would be generous towards the tenants.

Then the question is "Has this expectation been fulfilled?" The answer would be an emphatic "No".

The famous note on the Land Revenue policy of the India Government issued in 1902, in reply to certain criticisms of the late Mr. R. C. Dutt says: "The Government of India know of no ground whatever for the contention that Bengal has been saved from famine by the permanent settlement, a contention which appears to them to be disproved by history: and they are not therefore disposed to attach much value to predictions as to the benefits that might have ensued had a similar

settlement been extended elsewhere. 'As regards the condition of cultivation in Bengal, there is still less ground for the contention that their position owing to the Permanent Settlment has been converted into one of exceptional comfort and prosperity. It is precisely because this was not the case, and so far from being generously treated by the zamindars the Bengal cultivator was rack-rented, impoverished and oppressed, that the Government of India felt compelled to intervene on his behalf".

Mr. J. S. Mill in his "Principles of Political Economy" wrote, "The measure proved a total failure as to the main effects which its well meaning promoters expected from it. They flattered themselves that they had created throughout the Bengal provinces English landlords, and it proved that they had only created Irish ones. They did nothing for the improvement of their estate, but everything for their own ruin. In one generation the ancient zamindars had ceased to exist, and other families, mostly the descendants of Calcutta moneylenders, now occupy their place, and live as useless drones upon the soil which has been given up to them. Whatever the Government has sacrificed of its pecuniary claims for the creation of such a class has at the best been wasted."

Now, on a closer examination of all these facts, it necessarily comes to this:—The zamindars have no right to exist either in law or in equity. Because, no custom of the country supports them. Theirs was an office. The office being abolished, its necessary corollary must also be abolished. Just as the son of a secretary of the present Government cannot claim the emoluments which his father enjoyed as such, so the heirs of these zamindars cannot equitably stick to the soil of the country without being raised to the position of their predecessors. Moreover, the contract was entered into on a mistaken notion that the zamindars were the actual proprietors of the land. But we have seen that the tenantry represents, to some extent, the actual proprietorship in land. So, if any benefit was to be bestowed upon anybody, it ought to have been bestowed upon the tenants. The jurists of every country agree that if anything is done by mistake, it is voidable at the instance of either, when the mistake becomes known. So the question of "pledge" goes away.

The same argument is applicable with greater force in the case of temporary settlement. Further, it requires not only expense and trouble, but dislocation of all business. And it tends to check the improvement of cultivation.

The next question that necessarily arises is "will the tenure-holders be abolished, or will they be allowed to remain in their present position and proportion?" It is a vexed question of law and fact. We have already seen that these tenure-holders were in the process of growing

from the time of the Hindu kings and they grew and took their complete shapes during the subsequent periods. They are not an arbitrary creation. They formed as a matter of course. To do away with them is to go against the laws of nature. Up till now, no country has been able to disregard its customary laws. Even the most revolutionary Moscow Government has been compelled to recognise its customs at this distant date. So, we find that the tenure-holders have a legal origin and they must remain as they are. Of course, there is no denying the fact that they would not have assumed this proportion, had not there been the Permanent Settlement. But there is no escape from the situation.

In this connection, another thing that crops up in our mind is whether the zamindars are entitled to any sort of compensation for the abolition of their systems. Legally they cannot claim any compensation; for it is their own misdeeds that have made them what they are. But the Permanent Settlement has induced others to invest money in it. So equitably a nominal compensation, say five times the net profits, may be awarded. Barring the tenure-holders their net profits would amount approximately to Rs. 6 crores a year. Hence, on the basis of this, it will cost thirty crores of rupees at the utmost; and these zemindaries may conveniently be purchased by issuing bonds, carrying an interest of 2 per cent. per annum with power to redeem them by instalments of 20 years.

And this being the state of affairs, our next thought would be, "What sort of settlement is to be effected with the tenure-holders and the raiyats?" If any settlement is to be concluded, it must be made permanent and the rent which a tenant will be required to pay must be settled with reference to the economic condition of the country; otherwise, there will be no inducement on their part to improve the lands. But for the welfare of the cultivating raiyats and the country, there must be a limit imposed upon them. No tenure-holder, under any circumstances, should be allowed to acquire property yielding an income of more than Rs. 2,500 a year and a cultivating raiyat should not acquire more than 100 acres of arable lands. Or else the same self-condemned system will grow in some form or other and all the consequent evils will follow in its train.

As to the main effects of this arrangement, it can be safely said that it will be beneficial to the people at large and conducive to the healthy development of the society. The tenants will prosper and the Government will ultimately be able to take up many works of public utility. Our landed magnets with a vast wealth thus acquired will find out new avocations of life and large scale industries will naturally grow and flourish and in consequence the question of unemployment will be settled once for all.

Reply by the Mymensingh Bar Association.

The main principles followed in the preparation of our answers are:—

1. The Permanent Settlement has been beneficial both to the landlords and the tenants. At the time of the Permanent Settlement, obligations of the State to the tenants were first juridically recognised and the landlords were assured of unassailable security as to their rights.

2. Zamindars were proprietors even from before the Permanent Settlement subject to their revenue obligations to the State. Before the Permanent Settlement it is doubtful if the tenants had any secure right in land.

3. Landlords discharged the duties entrusted on them by the Permanent Settlement fairly well and they were given right to choose their tenants.

4. The breach of the solemn pledge of the Permanent Settlement will create a sense of insecurity in the minds of the people without any corresponding advantage to the tenants.

5. The Permanent Settlement has stabilised rents and revenue of the province.

6. Expropriation, even by compensation, will be injurious and subversive of social relations. Moreover State ownership will be resented even by tenants.

7. Subinfeudation is not necessarily bad if the maximum and minimum limits of alteration of rent are fixed by law.

8. Occupancy rights should not be extended unless there is contract to the effect or unless the tenancy is backed by some legal consideration in favour of the landlord. Bargadars or labour partners in cultivation should have no occupancy rights.

9. No law against transfer of lands to non-agriculturists should be passed, as it would create fresh difficulties which the State will not be able to meet in future.

10. The Permanent Settlement never implied that landlords would not be able to enhance rents. So enhancements are permissible subject to a maximum limit. In cases of excessive rate of rent, reduction of rent is desirable.

11. Land system has nothing to do with the present miserable economic conditions of the tenants. It is due to over-population and thoughtlessness in the increase of the peasant families. And it is also due to other kinds of improvidence.

12. But the economic conditions can, to some extent, be improved by organising cottage industries, improved credit facilities and industrialisation and by introducing improved methods of agriculture and marketing of agricultural products.

13. The credit of the agricultural population is hopelessly at the lowest ebb and it can only be revived by organising State—directed Banks with State guarantee to depositors and State lien on the produce of the agricultural debtors. Private moneylending cannot revive in view of the sense of insecurity created by the agricultural debt conciliation Act and the tendency of the legislators to wipe out all sorts of contractual obligations by passing moratorium laws.

14. There should be less expensive procedure of realising rent dues.

Q. 1. The duties and obligations referred to mostly are of two kinds—one to the Government and the other to the tenants. Obligation towards the Government was defined and exhaustive inasmuch as the Government was to get fixed revenue and zamindars were to lose their estates by sale in case of default without any excuse. On the other hand, duties and obligations towards tenants are more or less of an undefined and moral nature, and necessarily not exhaustive. Permanent Settlement did not take away any right from the tenants. Before the Permanent Settlement also, tenants used to pay their rents to zamindars, i.e., persons who were entrusted by the sovereign authority to realise rents subject to the payment of land revenue to that authority although this period of trust was more or less temporary—being fixed for certain years. But tenants, in any case, had no better right, if not worse. For, in the nature of things, tenants could not be invested with better rights when the sovereign authority was more prone to have maximum revenue than to protect tenants, and the zamindar who could best fleece the tenant could give the best account of himself. Moreover, before the Permanent Settlement, i.e., as far back as the Moghul period, there is no evidence of tenants having any secure right in land except that of istimrardar and khudkasht raiyats. And the rights of these latter classes were also more or less based on custom rather than on law.

Q. 2. Yes, the Permanent Settlement conveyed to the zamindar the power to choose his tenants and to regulate the usage of the land in the economic interest of the province. Subject to the obligation and pledges of the sovereign authority, to protect raiyats and dependent talukdars. The very fact that estates are liable to be sold for arrears of revenue and the obligation cast on the zamindars to "exert themselves in the cultivation of their lands under the certainty that they will enjoy exclusively the fruits of their own good management and industry" indicate that zamindars were given exclusive right over their

estates including choice of tenants for proper and economic cultivation and that if the zamindars fail to do so, their estates will be sold to make room for more worthy ones.

Further, section 52 of Regulation VIII of 1793, i.e., The Decennial Settlement Regulation, clearly laid down that "The zamindar or other actual proprietor of land is to let the remaining lands of his zamindari or estate (remaining means those not already let to talukdars and istimrardar as laid down in sections 49 and 51 of the Regulation) under the prescribed restrictions in whatever manner he may think proper". Restrictions of course mean prohibitions as to new abwabs, written engagements and amilnamas, etc. But the zamindars were required by the Permanent Settlement Regulation to deal with their tenants with moderation.

Q. 3. It is the landlords who took the settlement of large areas of uncultivated and jungly lands. At first they were not profitable, as is indicated by large number of sales during Decennial Settlement, and zamindars secured people to get these lands cultivated primarily with a view to balance their revenue demands and earn profit. By remission of rents and helping tenants to build houses and clearing jungles, the landlords have helped economic improvement. In this way the action of landlords has led to economic progress. It cannot be said that they failed to perform functions expected of them at the time of the Permanent Settlement.

In Article VI of the Permanent Settlement Regulation we find what was expected of the landlords. They are (1) that they would improve their lands by bringing them under cultivation, and that (2) they would conduct themselves with good faith and moderation towards their dependent talukdars and raiyats. These they have discharged. Not to bring lands under cultivation was to invite the risk of collapse and sale of estates. It is only human and instinctive for man to pursue this economic course. Whenever they have failed to do so, it was inevitable and so not intentional. As to their behaviour with raiyats and talukdars, they were far better than their predecessors in pre-Permanent Settlement days. Of course, there may have been instances of their ill-treatment of tenants. Even then, it was not unexpected. Had it been unexpected, the paramount power would not have reserved to themselves the right to protect raiyats and talukdars when occasion would demand. Thus their lapses from what was expected of them were more or less in the nature of exceptions to the rule.

Q. 4. Before the Permanent Settlement, zamindars were no doubt collectors of revenue in the sense that it was they only who contributed to the public exchequer by way of direct land tax, but nevertheless they were, for all purposes, proprietors as well. The very mention of

the word "proprietor" in the Permanent Settlement Regulation itself shows that zamindars were proprietors. Before the Permanent Settlement Regulation, no right as to land was well defined. The State used to settle with zamindars who were left undisturbed if they paid their quota to the public exchequer. And ever since the Moghul time zamindaris passed on successively from one generation to the other by way of inheritance, subject to the demands of the State. Even if zamindars defaulted, their zamindaris were rarely confiscated; the State dues were realized by imprisonment of zamindars and by temporary leases to be terminated in favour of the zamindars after dues were satisfied. Similarly, tenants had also no rights in land; they were ejectable merely by the will of the landlord. Only at the time of the quinquennial settlement, which proved a miserable failure, the above rule was deviated from. At the time of the Permanent Settlement the rights of the zamindars were only placed on a firmer basis and the system of sales was introduced as a method of enforcing State demands. And it is only at the time of the Decennial Settlement and the Permanent Settlement that the obligation of the State towards tenants was first recognised. Moreover the provision of a malikana in favour of proprietors of temporary and permanently settled areas if they are let out in farmer held in khas corroborate that zamindars were proprietors (*vide* section 44, Regulation VIII of 1793). The Decennial Settlement clearly recognizes that settlement be made with the actual proprietors. The existence of khamar, nisjote and chakran since before the Decennial Settlement also points to the fact that zamindars and independent talukdars were proprietors.

Q. 5. The annulment of the Permanent Settlement would certainly be a breach of a solemn pledge given by the East India Company—"that no demand will ever be made upon them, or their heirs or successors, by the present or any future Government, for an augmentation of the public assessment in consequence of the improvement of their respective estates." And Article III of the Regulation clearly fixes the jama for ever. The fact that tenants were not parties does not minimize the sanctity of the pledge which is the very foundation of real property rights in this province and on which foundation the basic rights of the tenants also depend. Tenures at fixed rates, raiyats at fixed rents and at present suspension of the provisions of enhancement of rent would not have been possible without some Permanent Settlement at the base.

The financial resources of the country have not been crippled by this measure. By sub-section (2) of Article VII of the Regulation Government has reserved the right to internal duties. And by ensuring security of rights to zamindars and tenants this has enabled to raise the taxable capacity of the people otherwise.

Q. 6. The answer to this question is partly given in our answer to question 3. Of course, all the three factors mentioned in the question are responsible for the increase in the area of cultivation. But it is very difficult to ascertain the extent of the contribution of each factor to the increase in cultivation. Nevertheless the expectation has been realised to a great extent.

Q. 7. All the three factors mentioned in this question are responsible for the increased valuation. Increase in cultivation and reclamation of waste lands by the efforts of the tenants with the help of the zamindars has mainly contributed to the increase in rents. There has no doubt, been enhancement of rents existing at the time of the Permanent Settlement but enhancement of rent has not raised the valuation to such an extent.

Q. 8. Zamindars for the most part, have no doubt conducted themselves moderately. This will be evident from the fact that at the earlier period of the nineteenth century zamindars, in order to save their estates from sales, were compelled to create permanent tenures and State, also, appreciating their difficulty passed Regulation VIII of 1819 to give them certain facilities to realise their rents from tenureholders. If they transgressed the limits of moderation, all these protective measures and creation of permanent tenures in limitation of their rights would not have been necessary. Of course, as other human beings, zamindars in pursuit of their self-interest, have transgressed these limits and the Government experiencing these transgressions have enacted rent laws to safeguard the interests of tenants. A study of the rents law would show that great care has been made to secure to the tenants the right of occupancy so that they may not be ejected, and that sufficient safeguards have been made as to realisation and enhancement of rent. The successive amendments of the rent laws indicate the way in which landlords had failed. But these failures were only to be expected in any class of human beings.

Q. 9. Except "extension of cultivation" neither duty was expressedly entrusted with the zamindars by the Permanent Settlement. Nevertheless zamindars were impliedly required to make improvements of their estates as successive tenancy legislations would show. Zamindars have failed to make improvements of their estates by proper economic efforts in the sense that they have not done what they might do in addition to extension of cultivation by inducting tenants. This was more due to absence of enlightened idea about utilising the possibilities of landed properties and also due to the difficulties of consolidating land by purchasing from tenants. Absentism and and lack of close touch have very little to do with this. At the earlier period of the Permanent Settlement there was no enlightened idea and

since the end of the nineteenth century the lands were so much distributed amongst tenants that any independent enterprise by landlords was simply impossible.

Q. 10. Yes, the Permanent Settlement has contributed to the greatest good of the greatest number. It has made possible the stabilisation of rents for the tenants. Revenue system of the province has been steady and sure. Tenants had nothing to lose.

Q. 11. The criticism is not at all justified. The income that the landlords appropriate will not be more than 25 per cent. of the entire income from land, if by income we mean the rental, after deducting the revenue and cess charges and collection and establishment expenses. Through collection and establishment a large number of people, who would otherwise remain unemployed, get employment. But if by income we mean the produce of land, zamindar appropriates only a small fraction.

No doubt, it has led to subinfeudation, as any other mode of secure property rights would have. Subinfeudation is not necessarily an evil if the rental of the lowest substratum is kept within proper limits. And in this province the rental has never been prohibitive in comparison with the rents of other places where there is no Permanent Settlement. Similarly enhancement of raiyati rents has not been inordinate. Nor the system of overlordships as imagined, is so widespread and oppressive.

Again the evils hinted in these criticisms can be minimised by proper safeguarding legislations without impairing the Permanent Settlement.

Q. 12. No, we do not advocate the abolition of the Permanent Settlement.

Q. 15. Certainly, they should be redeemable at a stated period, i.e., not exceeding twenty years, at the will of the holders. Rate of interest should be as indicated above.

Q. 16. It will have disastrous effect. People will lose all faith in the state and security of contracts. Contractual obligations will be shunned, property rights will crumble. People will have no interest in any sort of right they may hold. Nobody will feel safe in the land with their assets for investment. Capital will be shy and flow out of the country.

Q. 17. If zamindari rights are purchased by the State, there is no sense in not purchasing the rights of the tenureholders. But in any view we do not support such expropriation even by compensation.

Q. 18. If tenants are brought directly under the State a set of trained and expensive bureaucracy will have to be set up for realising rents. The casts will necessarily be great and it is impossible for us to give an estimate of costs. But this is certain that the profit to the public exchequer will be much less than the profits incurred by private landholders as the management will be devoid of personal interest and as the Government management will always be more expensive. Moreover profits will fall far short of the requirements of interest and sinking fund charges for the compensation debentures.

Q. 19. No, raiyats will not like to come under an impersonal Government management which shall never tolerate large arrears nor shall it ever tolerate barred dues to stand on. Moreover under private zamindars raiyats get many concessions by way of remissions which no Government officer can allow. This is a great disadvantage of khas mahal tenants, while they have no corresponding advantage.

Q. 20. Of course, in the earlier period of the inauguration of the Permanent Settlement, zamindars had to create tenures to divide their risk, as in the beginning in spite of the Permanent Settlement zamindaris had been run at loss. But afterwards subinfeudations were rare. By subinfeudation tenants have not been affected the least for the rate of rent in tenures does not exceed the rate in zamindaris. Moreover the less resourceful tenureholders have enhanced rent much less than the zamindars who are comparatively more resourceful.

Q. 21. Same answer as to question 16. Only the tenure-holders who are poorer will be compelled to glut on raiyats rights making congestion on land.

Q. 22. If zamindaris and tenures are purchased by State, homesteads and khas lands of the proprietors and tenureholder should be left to their possession on a proportionate basis of rental to be paid to the State or they may be kept rent free according to the choice of the zamindars if they forego corresponding compensation. At the time of awarding compensation, valuation of these lands should be computed on rental basis. Lands under direct possession and cultivation through barga or leases should be considered as proprietors' khas lands. And homesteads can be found out easily.

Q. 23. Certainly, before tenancy legislations by the British Government no occupancy right or any right had ever existed. All tenants were tenants-at-will. Of course, khudkasht raiyats had some customary right. But even their rights were definitely and legally recognised first by British legislation (*vide* section 60 of Regulation VIII of 1793).

Q. 24. *Vide* answer to question 4. Cultivating raiyats were not proprietor of the soil.

Q. 25. Occupancy rights should not be extended so thoughtlessly. If, by contract and in lieu of premium consideration lands are settled with an intention of creating tenancy there is no harm in extending occupancy rights subject to certain safeguards for superior interests and specially subject to the right of annulling those rights in case of rent sales. So, extension of occupancy right on this principle to more than one grades of tenant can have no objection.

To confine occupancy right to cultivating tenant also, can have no objection. But the tenants between the proprietor or tenureholder and the cultivating tenant should not be deprived of the valued right they are enjoying now.

Q. 26. If the principle I have enumerated in my answer to question 25, is accepted, there will be no occasion to consider this. But there is an implication in the premise of this question, i.e., "If you consider that the right of occupany in all cases should vest in the actual cultivator of the soil," which substantially differs from the last line of question 25 "tenant actually cultivating the soil". Our answer to question 25 is on the assumption of the word "tenant" as understood in the Bengal Tenancy Act and not otherwise. In no case, we support the granting of occupancy right on the mere test of "actual cultivation" unless the person so meant is admitted as a tenant by his superior landlord and unless he stands the test of the principle enumerated in our answer to question 25.

Q. 27. Certainly. The Permanent Settlement Regulation in its Article VII declared that the ruling power would "enact regulations .....for the protection and welfare of the dependant talukdars, raiyats and other cultivators of the soil." This includes "non-agriculturists" in a sense. Occupancy rights when they are given, should be given to all irespective of any invidious distinction as to agriculturists or non-agriculturists which may occasion many difficulties in a country like ours, where sources of investment are very much limited. Moreover look at sections 49 and 51 of Regulation VIII of 1793 where istemrardars and dependant talukdars who are non-agriculturists are specifically protected. But this should mean that occupancy rights should be given only with respect to agricultural lands.

Q. 28. We think, the rights, whatever be their inceptions, should not be interfered with if they are diverted to other uses. Morever, this involves a question of principle. State should not levy additional tax, for these converted holdings already pay other kinds of tax, viz., municipal tax, income-tax, etc. And businesses or manufacturers

also pay sundry other kinds of taxes. So, they should not be overburdened with other kinds of land tax. Tenants of non-agricultural lands do require no less protection than those of agricultural lands for in this country they are mainly owners of residential houses. Moreover laws should be passed to protect tenants of non-agricultural lands against whimsical ejectment by unscrupulous landlords.

Q. 29. They may be on the increase but not so perceptibly. Even if there is some increase, it is not out of proportion, to the increase in area under cultivation.

Q. 30. The increase in the number of bargadars may be somewhat due to cause (*iii*) but that is also negligible. For during the depression, cultivators were not at all put to hard pressure for their liabilities. Creditors and loan companies have themselves gone into liquidation as suits against raiyats to enforce claims were unremunerative. Their lands falling much into value were not worth to be proceeded against. So sale on the score of meeting financial liabilities was rare although sale for their domestic needs was to some extent perceptible as they have lost all credit in the money market.

Cause (*i*) is meaningless, as bargadars had never any right.

Cause (*ii*) might also cause some increase in the number of bargadars but the transfer to non-agriculturists has not also been much. Depression set in soon after the passing of the 1929 Bengal Tenancy Act amendment. So non-agriculturists also, were not in a position to purchase by paying premiums to landlords. Creditors also could not have the debts in their favour satisfied in lieu of land, as most of them were not in a position to pay landlord's transfer fee from their pockets.

Q. 31. A bargadar normally cultivates five acres of land including his raiyati lands. Yes, majority of bargadars are also raiyats and under-raiyats otherwise.

Q. 32. It is preposterous to think that bargadars' mere labour partners for cultivation should get any right whatsoever, what to speak of occupancy right. They need no protection. They are the happiest lot without any corresponding obligation. Honesty and proper conduct are the surest guarantee to bargadars.

Q. 33. Certainly, it is sound. It is far better than capitalistic production with agricultural coolies or serfs as labourers.

Q. 34. If bargadars are given occupancy rights, there will be serious agrarian revolution in the land. Khas lands will never be let out for cultivation, forest growing will be more profitable. As a result the large number of people will be thrown out of employment ultimately resulting in strife and depopulation. And country will be economically poorer for loss of effective cultivation.

Q. 35. No legislation on this score is necessary. Almost throughout the land half the produce has been considered as a fair proportion.

Q. 36. The wages of agricultural labourers will not exceed 4 annas a day since the depression. But they find employment only in the agricultural season. The condition of the bargadars and under-raiyats, are certainly better than the day labourers.

Q. 37. The Act of 1929 did not lead to a considerable extent the passing of raiyati lands to non-agriculturists as there were the check of transfer fee and pre-emption by landlords. But the present amendment of 1938 has afforded greater facilities for the passing of holdings to non-agricultural people. But no legislation should be ventured on this score, carelessly as it may discourage agricultural enterprises by more resourceful men with greater intellect and capacity. Moreover definition of non-agriculturist will create lot of difficulties. Such a legislation would cause fall in the price of land ultimately resulting in concentration of land on few so-called agriculturists.

Q. 38. 3 acres should be the minimum size of an economic holding.

Q. 39. Yes. Many holdings are uneconomic. And all the reasons suggested in the question are true. Moreover the lands of almost all the raiyati holdings are scattered.

Q. 40. Consolidation is no doubt desirable. But the problem is stifling owing to the various rights to which a particular plot of land is subject in the process of subinfeudation. But this may be done by a suitable land consolidating legislation which shall provide for consolidation by exchange or otherwise through contract or judicial proceeding in which all persons interested must join and which shall provide for the security of land revenue also. Besides this, there should be arrangement for revising land records periodically.

Q. 41. Yes, we would; but it should be left to future legislation.

Q. 42. This is a vexed question. Large scale agriculture will necessarily require accumulation of large areas in a particular land. No such limit should be set as agriculture itself has a natural limit being subject to the economic law of diminishing return.

Q. 43 & 44. Not necessarily. A comprehensive law for consolidation will meet all objections.

Q. 45. Section 93 of the Bengal Tenancy Act is sufficient.

Q. 46. Certainly landlords were expected to increase income by enhancing rent as much as by extending cultivation. Moreover the rate of rent at the time of the Permanent Settlement was in a state of chaos and no reliable land records were prepared at that time. Land revenues were settled on exaggerated estimate of rent, leading to many

failures. State of chaos was handed over from the time of the quinquennial settlement. So it would have been sure injustice to the landlords if they were debarred from enhancing rents. Except in the case of istemrardars, dependant talukdars, etc., want of specific provision in the Permanent Settlement regulations and in the Decennial Settlement Regulation clearly indicates that the rents of other classes of tenants were variable, though the earlier Regulations do not fail to provide specifically for other kinds of safeguards as to abwabs, etc., and rights of khudkasht raiyats.

Q. 47. These were left perfectly to the discretion of the zamindars. Permanence or fixity of rent was never enjoined. The very terms "kaim mokarari" miras as adjectives to the term "jama" distinguish them from simple jama which has been enhanceable always. And these terms are in use from pre-Permanent Settlement days. And the Permanent Settlement did not specifically vary the customary right of zamindars to enhance rent. Decennial Settlement made specific provisions that rents of istemrardars and certain talukdars are not enhanceable (*vide* sections 49 and 51, Regulation VIII of 1793) but no such provision was made in favour of other tenants. If the framers of those Regulations intended to prohibit enhancement they might do so along with the provision for the consolidation of abwabs into rent. Moreover section 52 of Regulation VIII of 1793 thoroughly empowers a zamindar to let "in whatever manner he may think proper" subject to the restrictions in favour of talukdars and istemrardars. Only specific engagement was enjoyed.

Further, *vide* section 2, Regulation V of 1812, which was passed not very much after the Permanent Settlement regulation. In that Regulation also conditions for enhancement of rent were provided subject to a notice to the tenant, those provisions having now become obsolete owing to the operation of the Bengal Tenancy Act at present. Of course since the passing of this Regulation landlords obtained the right of creating new tenures and tenancies at fixed rates in limitation of their rights of enhancement. The trend of all the earlier Regulations was only to provide for penalising landlords if they transgressed their contractual engagements with their tenureholders or raiyats and not to prohibit enhancement of rent. The longstanding tradition in India that cultivators were to pay a share of the produce to the superior landlord or State indicates that rents were variable.

Q. 48. Answer to this is unnecessary in view of our answer to question 47. But with respect to clause (*d*) to this question, it can be said that the provisions mentioned of in the Bengal Tenancy Act in sections 6 and 50(1) are only afterthought. They have been done at a time when zamindars had already established themselves above the risk level. By such provisions tenureholders and raiyats were only given by the state to enjoy same fruits of the Permanent

Settlement. But this cannot necessarily lead us to infer that the Permanent Settlement meant rents to be fixed in perpetuity.

Q. 49. It is impracticable. Reduction can be allowed on equitable grounds as provided in law. To reduce rents to the level prevailing at the time of the Permanent Settlement is sheer injustice to landlords who have reached the present stage after undergoing long-drawn series of risks. Moreover original landlords for the most part do not exist. The present incumbents are mostly purchasers having invested their saving otherwise earned on land, on the calculation of the present rental assets and the legal security that the existing laws afforded. Moreover this is impracticable for want of necessary materials as indicated in the question. Both the landlords and tenants have changed hands since the time of the Permanent Settlement. A rent survey may be made and if the rent is found excessive in particular areas it may be reduced. And necessary amendment in the Bengal Tenancy Act may be made providing for the maximum rate of enhancement per acre on the basis of actual produce, beyond which no enhancement should be permitted.

Q. 50. The answer to this question is not necessary in view of our previous answers.

Q. 51. Such was never the intention of the framers of the Permanent Settlement. As a matter of fact it is doubtful if there was any pargana rate at all. Moreover such intention on the part of the framers of the Regulation could only be possible if all the raiyats at that time held at a uniform rate of rent. Admittedly raiyats were holding at different rates of rent. So, how could it be expected that future settlements would be based on uniform rate of rent?

Q. 52. Fair and equitable rents should not be determined by reference to abstract general principles of economics. It must take existing rate of rent into account in a particular area and an average rate may be found out for each class of land in that area and that should be the criterion of the fairness of rent. The rate of rent also has a historical background which should not be lost sight of in preferring theories. Of the six theories mentioned each might have contributed to the present rate of rents in the province. Of the theories, the theory for appropriating only unearned income or its parts leaving the profits of agriculture to the cultivating tenants seems to be the most commendable if landlords are allowed to get in addition a return for their improvements. But in India, it will be impracticable to follow any such theory strictly; safest course would be to rely on what history and practical experience have handed down to us.

Q. 53. Rents in this country will not strictly bear out the scrutiny of any of the principles mentioned above. Most of them are lump

rents, though in many cases a principle of differentiation is attempted but that is very crude. They are mostly fixed on custom and competition, although productivity is taken into some consideration, and it is also very true that rates differ for lands of similar value—though not greatly. But all these do not show that rents are inequitable, as the rate of rent prevailing in different parts of the country is much below the rate that would have been justified by following the first system suggested in question 52. The major part of the unearned income is left to the cultivating tenant in this land.

Q. 54. Not necessarily. Sometimes the weaker and the poorer tenants get remissions from landlords and get concessions as to rate of rents. But no doubt, there are unscrupulous landlords and unscrupulous agents who take undue advantage of the weakness and poverty of tenants in the bargain of settling rents.

Q. 55. If State takes up land, rents should be adjusted on the existing basis. Uniform rate throughout the province will cause unfairness. We would advocate the same principles as in our answer to questions 52 & 53.

Q. 56. It is not worth considering. This is an archaic idea of taxation. Moreover it will involve serious complexities and costs in determining the quota and perhaps harassment to tenants.

Q. 57. Rent should never be fixed for perpetuity. It ought to be made to depend on the money value of crops subject to maximum and minimum limits beyond which alterations should not be allowed. Rates of rent need not be examined periodically. It ought to be left to landlords and tenants to adjust the rates according to law.

Q. 58. Income-tax on the profits from agriculture as suggested in the place of rent or revenue, will confuse the public finances of the province. A large proportion of land will escape payment if incomes below a certain figure are exempted. And this proportion will ever increase owing to divisions and subdivisions.

Q. 60. Enhancement due to fluvial action can by no means be objected to. Regulation XI of 1825 (the Bengal Alluvion and Diluvion Regulation) registered the existing custom to the effect. Moreover deviation from the rule may mean abrogation of the Permanent Settlement to some extent. The accession causing reformation *in situ* should entitle landlords to claim enhancement if rents were reduced for corresponding loss to tenant by diluvion. Regulation 7 of 1847 gives the State sufficient compensation by enabling to assess accretions which are not reformations *in situ* and accretions to estates which were allowed abatement on account of diluvion.

Again if fluvial action increases productivity of soil, landlords as proprietors should legitimately get enhancement of rent. Benefit of

increased productivity should go both in landlords and tenants. If Government lays any claim to any share of this increased productivity, that will be an interference with the Permanent Settlement.

Q. 61. No.

Q. 62. Meaningless. To carry out the implication of the question into action is simply impracticable and will practically take away the right to enhance rents.

Q. 63. There can be no objection to the ground of enhancement under the condition mentioned. Cheap and expeditious provision for registering tenants' improvements may obviate the difficulty. Salami is never advance rent. It has been always a competitive and customary premium paid and has always been a part of the value of land. Moreover this question of salami is no longer pertinent except with respect to khas lands—the entire value whereof is landlord's due—by whatever name it is called salami or price.

Q. 64. Our answer to question 49 covers the answer to this question.

Q. 65-70. We do not deem them necessary to answer. Only this can be stated that revisional settlements are necessary both in the interests of the tenants and landlords. But these have never been done with the object of enhancing revenue.

Q. 71. In permanently settled areas, though remissions of rent are always given by landlords, landlords do not get any remission on the score of revenue. We do not know the state of things in khas mahal areas.

Q. 73. No evidence. But it is true that productivity is decreasing owing to the operation of the natural laws as there is practically no manuring to increase the fertility. Government steps are quite inadequate, if not ludicrous. The agricultural department of the Government is a stupendous failure.

Q. 74. The agriculturists have not taken advantage of the Acts mentioned. This is due to the ignorance of their rights and the required amount of civic sense. Moreover the acts cast on them also corresponding obligations which the tenants are too poor to bear.

Q. 75 & 66. Government management of khas mahals is worse than the management of the zamindars. Salami realised by Government is not at all used for improvement of the lands. And we find no improvements being effected by the Government on lands.

Q. 77. The Government policy or the land system are not positively responsible for the uneconomic condition of the raiyats. The reason is to be sought elsewhere. So no question of modification of the land

system arises. It is due to over-population, improvidence, want of moral check on the growth of families, thoughtless propensities leading to polygamy and other causes of the like nature.

Q. 78. It is very difficult to estimate. Almost all raiyats have not sufficient lands to maintain their family. The income from sources other than land are almost nil in this province.

Q. 79. Not competent to answer.

Q. 80. All the methods suggested in the question should be adopted. Supplementary and cottage industries must be organised. Co-operative marketing organisations should also be set up. But cattle insurance will be impracticable. Above all propagation of the ideas as to improved manuring and improved modes of cultivation should be undertaken by the State. Moreover railway freights as to agricultural produce and manure should be reduced to facilitate marketing. Statutory provisions should be made to fix the minimum price of the important industrial crops.

Q. 81. Certainly, the pressure of the population is the principal cause. But they can be neutralised to a great extent by the ameliorative measures suggested in question 80. The facts that large number of people are landless and that one raiyat barely has one acre of land on the average indicate the pressure of population on land. The low standard of living of the agriculturists also speaks for itself. The congestion of agricultural population in Bengal has reached its last limit. Every square mile of agricultural land contains about 646 persons on the average. Thus one man possesses less than an acre of land which yields less than Rs. 49 a year. It is of course difficult to ascertain the percentage of the surplus population. If one acre to a man is considered sufficient, then we think the last limit has already been exceeded. And if we consider two acres just sufficient for a man, then half of the present agricultural population should be removed to some more profitable channel.

Q. 82. By creating occupations other than agriculture we can to some extent relieve this pressure. Creation of large scale industries is no doubt necessary, but immediately cottage industries should be organised to relieve the agriculturists to some extent. Government-aided factories cannot relieve the widespread agricultural unemployment. Above all, Government should pursue a comprehensive industrial programme to relieve the widespread unemployment.

Q. 83. Agricultural credit can be improved by starting agricultural State banks which shall grant loans on the basis of agricultural produce and attract deposit by State guarantees.

Q. 84. It might have been previous to the year 1930, i.e., depression. Since the depression, mahajans get nothing and even now

mahajans cannot realise their dues owing to the operation of the Bengal Agricultural Debtors Act. Anyhow subject to the control of the rate of interest and proper safeguards against usurious loans, confidence generated in the minds of private moneylenders and inauguration of agricultural banks on the line suggested in answer to question 83 can only stop this so-called drain.

Q. 85. Co-operative credit societies have failed altogether. They are no better than moneylending institutions. Many agriculturists had become their members only to ruin these banks and their depositors. The value of co-operation has not been appreciated. Loans have been advanced by these banks thoughtlessly without any regard to the ultimate borrowing capacity of its members. Co-operative societies instead of wiping out the debts of their members, have only added to them. So there has been no benefit to the agriculturists.

Q. 86. Debt Settlement Boards have smashed rural credit. They are run by uneducated personnel with questionable probity. These could render some service both to the debtors and moneylenders if their adjudication would have been left to the judiciary or a body equally capable, aided by lawyers. Owing to the inauguration of these boards and their working it has been very difficult to get money on credit. So the raiyats are compelled to sell their land in case of pressing necessity. So it has completely failed to deal with the problem of rural debts rather it has shattered rural credit and the chances of its revival.

Q. 87. *Vide* answer to question 83.

Q. 88. Land Mortgage Banks have worked within very narrow limits. They have not sufficient resources to finance rural credit. Their funds can be augmented by issuing state guaranteed shares and debentures and receiving deposits based on state guarantee. On the other hand these banks should have peremptory power to realise their mortgage dues subject to the rent and other prior charges on the lands of their debtors. Without some peremptory power, the rural credit cannot be revived from its present miserable state.

Q. 89. Certainly, the machinery is cumbrous and expensive. Long-drawn litigations have to be fought to have the rents realised. Moreover it adds heavy costs on the shoulders of the tenants. Moreover at present, landlords have lost their right to selami, pre-emption, etc. Thus being deprived of almost all kinds of extraneous incomes other than rent, they should get summary rights to realise their rent dues.

Ad valorem court fees should be dispensed with in rent suits. On the mere application and proof of arrears after notice to tenants landlords should have peremptory right of sales subject to a right of deposit by tenants or any interested person within a decent period of grace. Only

the cases which involve the determination of the rate of rent and question of title interparts should be classed as regular suits and court fees thereof should be demanded on defence being field. Delivery of possession on virtue of sale certificates should be considered as conclusive evidence of possession for the purpose of criminal trespass and mischief.

Q. 90. It is harassing to some extent as it increases extraordinarily the interest on arrear dues. Otherwise there cannot be much objection to it if questions as to the rate of rent or title are referred to Civil Courts before final processes are issued.

Q. 91. All revenue laws and regulations and tenancy laws and procedure for rent suits should be consolidated into one comprehensive Land Act without deviating from the principles, we have mentioned in answer to this questionnaire.

Q. 92. Revenue sale law providing for peremptory sales of estates on arrears of revenue should be amended so as to give a decent period of grace after sale and before confirmation. Moreover tenures which are now annulable on sale should be made protected interests, if their rent demands to superior landlords are not dishonestly manipulated and if they do not stand in the name of any relative of the landlord. And the rigors of Regulation VIII of 1819 as to sale of patni tenures should be removed.

Q. 93. Landlords will be hard hit, without almost any corresponding gain to tenants. Landlords will lose about 40 lakhs of rupees as their annual income on account of transfer fees. By this legislation landlords have been seriously handicapped as to the choice of their tenants which they have been enjoying from time immemorial. This is a direct interference with their right to property. The present enactment has thus reduced them to mere receivers of a sort of malikana (rent) without any right in land. This has been more or less a sort of expropriation without compensation. The effect of this legislation is already felt in the country. People are grumbling under a sense of insecurity as to their rights to private property, while the lowest strata of tenants are being flared up with fantastic and unusual expectations leading to direct repudiation of all sorts of contractual engagements. Thus the whole social equilibrium has been upset. This law coupled with the notorious Bengal Agricultural Debtors Act has filled the cup of misery to its fullest brim in the province.

Reply by the Bar Association, Nadia.

Q. 1. The description is not exhaustive nor did the Permanent Settlement take away any right from the tenants. (*Vide* sections VII and VIII.)

Q. 2. The Permanent Settlement did not give any new right to the zamindar to deal with the tenant.

Q. 3. Scarcely anything to develop economic condition of the country except founding some educational institutions and giving charities to hospitals, etc.

Q. 4. Both the propositions can be supported. In fact much may be said in support of either view.

Q. 5. The elements of any pledge is wanting in a statute. All persons are affected thereby. There was no offer and acceptance between the Company on one hand and the zamindars on the other. When tenants' rights are mentioned therein, it cannot be said that they were overlooked. That the financial resources are crippled appears from subsequent development. Very probably the Company had no idea at the time that there will be such a large margin to the zamindars a hundred years from that time.

Q. 6. The increase is due to (*i*) and (*ii*).

Q. 7. The increase is to be ascribed largely to the increase of cultivation and reclamation of waste lands by tenants and to a certain extent to enhancement of rents.

Q. 8. As a rule the aristocratic and old family of zamindars treated the tenants with consideration and moderations. Some of the new-comers and generally all corporations who have stepped into zamindaris are persons who are guilty of bad treatment.

Q. 9. That the zamindars have not improved the condition of the tenants and have failed to carry out any of their duties are due to their absenteeism and lack of close touch between them and their tenants.

Q. 10. The question of economic good and of greatest good of greatest number was not even dreamt of by the authors of the Regulation. There has never been any uniform principle in the subsequent enactments for regulating the rights of landlord and tenant.

Q. 11. The criticism referred to in this question is not fully justified.

We are opposed to abolition. The grounds mentioned in the question are more or less based on political considerations and have nothing to do with reality.

Q. 12. Some reform is needed.

Q. 13. We advocate the imposition of a tax on agricultural income but at the same time suggest that the money derived from this source should be earmarked for agricultural improvement. In order to prevent absenteeism the tax should be so graduated that absentee landlords are required to pay a greater incidence of tax than those who stay in their zamindari.

Q. 14. Does not arise after answer to question 12.

Q. 15. Ditto.

Q. 16. The social structure in Bengal will be revolutionised if Permanent Settlement is done away with.

Q. 17. Does not arise.

Q. 18. Ditto.

Q. 19. (*a*) So far as our experience goes the raiyats will be far worse off if they come directly under the Government.

(*b*) No.

Q. 20. (*a*) Yes.

(*b*) Not affected.

Q. 21. The whole structure will be thrown out of gear.

Q. 22. Does not arise.

Q. 23. The words "occupancy right" is a new phrase but tenants with similar rights existed in the country from prehistoric days and their rights were in some respects much larger than what the occupancy raiyats enjoy—the machinery to enforce such rights might not be similar to what we have now got, but customary laws were predominant.

Q. 24. It would not be proper to compare the present day administrative conceptions with what prevailed in pre-British period. There was hardly any difference made between public revenue and privy purse and the ruling authority was responsible for the safety and administration of the state.

The administration was left to the proprietors or zamindars who not only collected rents and remitted to the superior authorities but afforded protection to the tenants.

Q. 25 and 26. There is no harm in conferring right of occupancy to the actual cultivator.

Q. 27. Permanent Settlement does not make any distinction between agriculturist and non-agriculturist tenant. Permanency of

same sort should be given to non-agriculturist tenants as well. "Occupancy right" in the latter case would not be a happy term as the phrase has acquired a confused connotation.

Q. 28. Already answered above in questions 25 and 26.

Why should non-agriculturist be penalised.

Q. 29. Do not know if the number has increased.

Q. 30-36. No answer. We have no barga in sadar subdivision.

Q. 37. (*a*) Yes.

(*b*) Yes.

(*c*) No, because cultivation is not paying in most of these cases.

If right to transfer is given it is not proper that it should be restricted.

Q. 38. As the fertility of the soil varies in different parts of the country and intensive cultivation is unknown it is difficult to name a figure applicable for the whole of Bengal.

In the sadar subdivision of Nadia an average holding of 10 acres of land should give a living to a family consisting of five members under the present standard of living.

Q. 39. First part. Yes. Second part. Yes.

Q. 40 and 41. Consolidation of holdings for economic cultivation can only be done if the tenants co-operate in cultivation. If the tenants are educated in co-operative principles and then mutually express a desire for amalgamation, nothing else should stand in their way.

Q. 42. We do not consider the accumulation of large areas in one particular hand undesirable. It would minimise the inordinate pressure on the land which is harmful to the larger interest of the country and the particular person may cultivate a large area of land with scientific method and thereby get a larger yield.

Q. 43. Coparcenary leading to fragmentation is harmful.

Yes.

Q. 44. Leave it to be adjusted in the natural way.

Q. 45. No.

Q. 46. We do not suppose that there was any hidden meaning in the wording of the Regulation. The language is perfectly plain. There is no restriction to enhancement provided there is no breach of good faith or moderation.

Q. 47. Same answer as in question 46.

Q. 48. Same answer. The proprietors are enjoined to conduct themselves with good faith and moderation towards their raiyats.

Q. 49. As a matter of fact rents have not been increased to an appreciable extent. Even if such rent has been increased due to the increase of the value of staple crop, etc., it would be unfair to reduce such rent because most of the proprietors of the present day purchased their properties long after Permanent Settlement on the basis of rent-roll existing at the time of their purchase.

We do not think that the tenants have any grievance on that score.

Q. 50. Needs no reply in view of answers to questions 46, 47 and 48.

Q. 51. No such intention appears from the Regulation.

Q. 52. This question arises only in Government khas mahals.

In that case (2) appears to be most reasonable, i.e., half the profit of the cultivation after paying all expenses of cultivation including the food of himself and his family.

Q. 53. When rent was fixed on the proportion of produce it must have been paid in kind as at that time there was no regular currency system in the country. The landlords had big granaries and they converted the grain into money and paid into treasury or it may be that the landlords rendered other services to the then Government. After the Permanent Settlement when revenue was fixed in coins, the landlords also made attempts to get money rent instead of produce. The rent in kind was gradually converted into money rent, i.e., the bhowali into nagdi. This conversion has taken place within the course of a century and the result is that rent has varied owing to the price of foodstuff prevailing at the time of conversion which was not uniform. This is the reason why there is no uniformity of rent even within a pargana.

The present rent therefore does not come within any of the descriptions mentioned in this question or in question 52.

Q. 54. (*a*) No.

(*b*) Already answered in question 53.

Q. 55. (*a*) Yes.

(*b*) Principle laid down in question 52, clause 2.

(*c*) No.

Q. 56. Share would vary according to the productive power of the land and the cost of cultivation.

Q. 57. (*a*) Periodical assessment.

(*b*) At least twenty years.

Q. 58. (*a*) Income-tax would be more equitable.

(*b*) Yes, if the cultivators are not properly instructed in scientific agriculture, a duty which the State should undertake.

Q. 59. As the existing rent is not based on sound principle the fixation of fair and equitable rent or enhancement on the basis of existing rent is bound to be defective.

Q. 60. (*a*) Yes; (*b*) No. All parties should get the benefit of the unearned increment.

Q. 61. No; because the original fixation in our opinion is based on conversion.

Q. 62. This equitable principle not being followed in the case of assessment of income-tax we do not see any reason why the agriculturist should get its benefit.

Q. 64. No. We are opposed to interfere in contracts. No useful purpose will be served in limiting rents for new settlements as the parties can avoid it by the payment and acceptance of high premium.

Q. 65. The procedure in (*a*), i.e., temporarily settled Government estates are too drastic but not so in permanently settled estates.

Q. 66. No answer.

Q. 67. Yes, in Government estates.

Q. 68. No answer.

Q. 69. No answer.

Q. 70. Due to the caprice of the Settlement Officer.

Q. 71. Varies widely in different parts of the district. The answer to this question will not be within our scope as members of the Bar.

Q. 72. We are not aware of any case where such remission has been asked for by the zamindars.

Q. 73. Yes, the productivity is generally on the decrease in Nadia district. The reasons are many—some natural and others due to the apathy of the Government and the growing poverty of the people.

Q. 74. Not at all. Practically speaking Bengal Sanitary and Agricultural Improvement Act can be taken advantage of by the local authorities as also by private individuals but they are afraid of costs and this is perhaps the reason why the local Government also does not proceed under the Bengal Development Act.

The comparison of yield of predevelopment period with the yield of land after development on which the assessment of rate would be based will be a very disputable point.

The agitation in Burdwan (although the Damodar Canal is not an operation under this Act) has frightened people and we are of opinion that these Acts would continue to be dead letters.

Q. 75. We are not aware of Government spending any money in the khas mahal of the district. There is no colonisation area in the Nadia district.

Q. 76. No answer.

Q. 77. General policy of Government is one of apathy due perhaps to the Permanent Settlement of Revenue in the province.

Q. 78. The average income of the raiyat from his holding is given in the report of the Bengal Banking Enquiry Committee Report. It is much less than what his bare living would cost, taking the unit of holding as 15 bighas and a unit of family of 5 members (man, wife, 2 children and one dependant). The cost of living having been calculated at the average jail ration.

The income from only other source is unskilled labour for those who lived near about a town. For others, nothing practical. A very small percentage can maintain themselves from their income.

Q. 79. No answer.

Q. 80. The suggestions are detailed in the question. We would suggest the first four.

Q. 81. Undoubtedly.

But there is another reason, namely, the pressure is not evenly distributed over the whole area. Even if the population is evenly distributed over the area, at least 25 per cent. may be considered as surplus.

Q. 82. This is one of the means no doubt but at the same time legislative steps should be taken to prevent outsiders to come in and engage themselves in the factories.

Q. 83. The raiyats as a rule have no credit. Their necessary expenditure exceeds their income. This is the reason why co-operative banks in Bengal are to-day in such pitiable condition. Unless steps are taken to train them in improved agriculture no improvement in agricultural credit is possible.

Q. 84. Mahajans are necessities in the present day economic structure of the country. The raiyats not having any credit has to

borrow. Even co-operative bank could not help them but the mahajans have human sympathies and would not kill the debtors—whereas the banks being corporations are bereft of all human elements and kill their debtors.

Q. 85. Co-operative societies have only increased the indebtedness of the tenants and the societies themselves are on the way to ruination. Most of the middle class people have deposited their money in the central banks from which societies draw their money. All these money have now become unrecoverable.

There is no provision by which borrowing outside is prohibited. The result is that the members of societies have borrowed from the society as well as from outside mahajan.

In the Sadar subdivision of Nadia there were about 250 societies with about 6,100 members in 1935.

Q. 86. Debt Settlement Boards have just begun to function in this district. It is too early yet to opine.

Q. 87. If the Government enacts that the agriculturists must wipe out their outside debts by borrowing from agricultural banks only and not from outside and if the banks be in a position to pay up their total outside debts then it may improve the position.

Q. 88. We have no Land Mortgage Bank in this district.

Q. 89. It is difficult to suggest a better method. It is harassing and costly because of the court fee expenses which should be very much lowered and which ultimately fall on the tenants.

Q. 90. Yes, (1) the tenants have hardly any opportunity to have their say.

(2) The method is heartless and the machinery moves likes the inexorable law of nature.

Q. 91. They should be codified in an up-to-date form but the merit of those Regulations is in their preambles. It would be a pity if they are done away with.

Reply by the Noakhali Bar Association.

Q. 1. It is not exhaustive. Main object was to replenish empty treasury and to ensure public revenue by bringing in peace in the country, for the country was in a state of chaos and anarchy.

Clause (*c*) of the *quid pro quos* is not a correct interpretation of the Regulation, for we find in section 8 of Regulation I of 1793, zamindars were enjoined to conduct themselves with good faith and moderation. We find no indication in the Regulation or in the subsequent rent laws passed for protection of rights of tenants any indication that rent payable by them was ever meant to be permanent.

Trend of rent laws passed since 1793 rather show raiyats had precarious rights before, but gradually their right to the land was recognised.

Q. 2. Zamindars being declared "proprietors" of the soil practically they were treated as arbiters of the faith of raiyats. As to dependant taluqdars of course zamindars were given right to enhance rent under certain restrictions.

Q. 3. Zamindars and permanent tenureholders contributed much to the reclamation of waste and jungly lands. The country was depopulated owing to calamity of 1770 and it was these people who contributed much in utilising labouring classes in organised way and spent money over improvement as their right in the land was secured. They were intelligent and had organising capacity—Numerous tanks, khals known after the name of old zamindars and taluqdars throughout the length and breadth of Noakhali and Tippera testify to the view.

Q. 4. Some were and some were not actual proprietors. We find there were many taluks existing from before the Permanent Settlement, and some of them were independent and some dependant taluks; the former were as good as a zamindari and the latter were valuable permanent interests (*vide* section 6 of the Bengal Tenancy Act and section 51 of Regulation I of 1793).

Q. 5. It is more or less academical discussion and opinion differs on this point.

Q. 6. All the three causes are true.

That zamindars and tenure holders induced people to accept lands in raiyati right by allurement is a proverb in our district, though with the increase in population and passing of rent law giving right of occupancy to raiyat such necessity disappeared.

Q. 7. It requires survey and consultation of records of zamindars and Government.

Q. 8. Not fulfilled in the case of most of the absentee landlords.

Tendency of educated people to settle in towns is primarily responsible.

Q. 9. Resident zamindars and tenureholders generally improved their estates by industry, enterprise and good management. Numerous tanks and khals excavated by them still bear witness to this.

Failure is mostly to be found in estate belonging to absentee landlords.

Q. 10. No, it benefited Government more than anybody else.

Q. 11. Criticism is justified if taken as a whole.

Q. 12. We do not advocate immediate abolition, for the present system of Government cannot give us better substitute and meet unemployment and open fresh avenues for earning livelihood.

Q. 13. Loss of revenue is not the only look-out of the Government.

Before discovering means for recouping loss we should find out ways and means to better the condition of the people at large agriculturists, craftsmen, middle interest holders, petty landholders and big zamindars all alike.

Q. 14. Yes, compensation at 15 to 25 years' purchase is to be given.

Q. 16. There will be chaos in society. One class will be thrown out of resources and a new middle class will grow, agriculturists will not be able to better their condition unless foreign exploitation is checked, craftsmen are encouraged and agriculture is conducted on co-operative and scientific basis.

Present system of education has created a gulf between agriculturists and educated people who crowded service and learned profession as this system hindered our people to take to diverse occupation. Private charity is meeting demands of landless people and charitable institutions for medical aid and educational institutions have come into existence mainly through charities of zamindars and middle class. Unless the State arrange for feeding the poor, make numerous hospitals and educational institutions for imparting vocational training and study of science it would be detrimental to the best interest of the country to kill the middle class. In short if Government help in industrialisation of the country, then and there only land laws may be amended by abolishing middle interests.

Q. 17. If zamindaris are abolished, tenures should also meet with same fate.

Q. 18. Additional machinery will cost nearly 25 per cent. of the additional income.

Q. 19. From our experience in Noakhali we may say they will not like—we do not think that khas mahal raiyats are better off than their brothers in the permanently settled area.

Q. 20. Subinfeudation in most cases compelled the raiyat to owe allegiance to his neighbour who has either fondness or prejudice against him. Economically raiyats were not losers in majority of instances, but wealth of country instead of being invested in industry was confined to land.

Q. 21. Unless effective measures for industrialising the country be taken many middlemen will be reduced to poverty and there are people who own both raiyats and tenures and these people are numerous in the country—State purchase will increase number of unemployed if fresh avenues are not opened before or simultaneously.

Q. 22. There should be a register for such khas lands and survey and record-of-rights be prepared; but when disproportionately larger area is found in possession of one family, reasonable area as khas lands for maintenance of the family of those persons may be allowed and that should find place in the register.

Q. 23. Occupancy right existed from before Permanent Settlement but it was at stake since Permanent Settlement—but rent law since 1885 restored the right to cultivators.

Q. 24. Yes.

"Proprietor" connotes that he has right to levy fair and equitable rent on tenants' holding under him.

Q. 25. Under-raiyats should have occupancy right as provided for in the amending Act of 1929.

Q. 26. Mere cultivation of soil should not be considered as the criterion for confirming occupancy right but if a raiyat sublets his entire holding he should be treated as tenure-holder especially when area covered by the holding is over 100 bighas in one village or one zamindari.

Q. 27. Protection as declared meant for all agriculturists and non-agriculturists, but right against eviction was not expressly conferred on tenants as the subsequent legislation recognised right of eviction under certain circumstances in Transfer of Property Act and Rent Laws.

Q. 28. Already income-tax is levied on income received from markets. There is no reason to treat the non-agriculturists like the agriculturists.

Q. 29. In this district not appreciably increasing.

Q. 30. The amending Act of 1929 placed the bargadars who paid fixed quantity of paddy in the position of raiyat or under-raiyat.

So factor (*i*) did not contribute to the increase.

Factors (*ii*) and (*iii*) are partially correct.

Q. 31. Not more than 5 per cent.

Yes, majority are so but their raiyati or under-raiyati area being inadequate for their maintenance they vie with one another to secure barga lands.

Q. 32. No, it will create a new class of tenants at the expense of people of small means and question of unemployment will be acute.

In many instances bargadars themselves will lose their barga lands and will be reduced to the position of day-labourers. Now an honest cultivator, no matter what his solvency is, is offered barga land and he makes profit as a respectable peasant without employing capital or taking liability for rent in the year of drought or other visitations of nature causing failure of crops.

Q. 33. In the absence of better work yielding profits it is not bad.

Q. 34. Effect will be that poor people will be hard hit.

Q. 35. Not more than half. No.

Q. 36. Bargadars are in better position and do not depend on more chance for getting suitable work to earn their livelihood like the landless people.

Q. 37. No; economic depression, tendency of non-payment and working of the Bengal Agricultural Debtors Act made investment in land unattractive.

Q. 38. On the average one acre per head, but may be less if yield may be increased by application of manure and science.

Q. 39. Yes, the laws of inheritance may be so amended as to provide compensation for certain heirs in lieu of share in land.

Q. 40. Yes, it is possible if co-operative system is introduced and people are encouraged to take to vocational training.

Q. 41. Yes.

Q. 42. Yes.

Speculation may be prevented by introducing co-operative system, and in our educational institutions "agriculture" should be a compulsory subject to create interest in boys and make them conscious that Bengal really depends on agriculture.

Q. 44. Yes.

Q. 45. Same answer as for questions 40 and 41.

Q. 46. From the trend of legislations since 1793 up to 1928 one cannot be blamed if he thinks so.

Q. 47. No.

Q. 48. We do not believe so.

Q. 49. No sufficient materials.

Q. 50. Cannot answer.

Q. 51. Pargana rates cannot be found in this district.

Q. 52. Nos. 1, 2 and 4 may be experimented according to circumstances.

Q. 53. All the conditions exist even in particular locality, in permanently settled area. "Custom" has now almost fallen into disuse.

Q. 54. It is not in our experience.

Q. 55. No, new record-of-rights would be required.

Q. 56. It is not possible to go back to old system as produce of land cannot be substituted for money as medium of exchange for carrying on import and export trade with distant countries.

Q. 57. Rate should be revised after every 15 or 20 years.

Q. 58. When there will be enlightened social consciousness (not sectional or communal) then and there only we may think of such system.

Q. 59. Enhancement may be restricted till better rent law is substituted but punctuality of payment of existing rent is to be enforced by legislation. Simple and less costly methods to be introduced for speedy recovery of rent.

Q. 60. There should be nominal enhancement at interval of 15 to 20 years.

Q. 64. Yes.

Q. 65. Both kinds of estates should be governed by same rules and existing provisions in Part II for permanently settled estates should be adopted for temporarily settled estates khas mahals.

Q. 66. We do not know of any unusual enhancement.

Q. 67. Yes, it is found in practice.

Q. 69. Khas mahals tenants made it a grievance in some locality.

Q. 70. Because different officers hold different views.

Q. 73. Productivity is on the decrease as no improvement on scientific line was made and not a single piece of land is left without growing any crop owing to hard competition and dearth of land.

Q. 74. No interest was created in educated people to take to cultivation; khas mahal for the last 3 decades or so did not encourage educated people to take to cultivation. There was occasional attempt but without success. Opinion may differ if we enquire into causes but it is a fact that these Acts were never attempted to be made popular or understandable to the mass of people.

Q. 76. Yes, probably since 40 years or so.

No.

Q. 77. General policy is more responsible. Educational and judicial systems are responsible for litigious habit and ignorance of the mass and desertion of village by educated people.

Vocational training was not encouraged—machinery crushed small industries and indigenous products did not find good market owing to indifference of state and the cultivators themselves being ignorant and disorganised reduction of rent will not much help in improving the condition of cultivators. Any how further enhancement of rent should be restricted.

Q. 80. All the methods suggested should be experimented.

Q. 81. Reason is not only pressure of population but economic exploitation of the country by non-Bengalees and non-Indians in every field of trade and labour and as Sir P. C. Roy pointed out in course of his career lecture at the Calcutta University.

Q. 82. To industrialise the country and to prevent foreign competition to small and infant indigenous industries by legislation.

Q. 83. To issue debenture loan to agriculturists and rural banks to help agriculturists contemplated in the Reserve Bank of India Act.

Q. 84. Village moneylending has already disappeared; so this question does not arise.

Q. 85. Not much; rate of interest is high though not too high.

Illiteracy of agriculturists is responsible for failure of this movement. Unless educated people are drawn to village life such movement will not meet with success.

Q. 86. In Noakhali villages moneylending has stopped altogether.

Q. 87. Government should establish some such bank as contemplated in the Reserve Bank of India Act in view of abolition of village moneylending.

Reply by the Pabna Bar Association.

Q. 1. The description is virtually exhaustive. The future ease and happiness of the people, being the object of the Permanent Settlement, the zamindars, as a party to that settlement, are under a further obligation to promote the ease and happiness of the people and to conduct themselves with good faith and moderation towards their tenants.

The Permanent Settlement declared the zamindars to be the actual proprietors of the soil. The result was that in some districts proprietary rights were conferred on persons who had formerly no such right; while in other the Regulation confirmed their existing rights.

Hunter says in his "Annals of Rural Bengal"—that in some districts the landholder was almost independent of Mussalman Viceroy, in others he was a bailiff appointed to receive rent. It fell out therefore that those collectors who had to deal with districts in which landholders were not real owners, complained that the Permanent Settlement had stripped the tenants of their rights and ruined them.

All these complaints are due to the fact that specific provisions were not made in Regulation I with regard to the rights of the tenants. But before the passing of the Regulation, the Court of Directors directed the Governor-General in Council to recognise the existing rights of the tenants. But as those rights could not be definitely ascertained at the time, they directed the Governor-General in Council to leave an opening for future legislation protecting those rights. This was retained in the form of a safeguard (Article VII of Regulations). (*Vide* Fifth Report, Vol. I, pp. 33-34.)

Q. 2. The zamindars were recognised as the actual proprietors of the soil; and as such they had the unfettered right to choose their tenants. By Article VIII of Permanent Settlement Regulation they were to choose their tenants and to dispose of their estate.....to whomsoever they think proper by sale, gift or otherwise, "subject to the Muhammadan or Hindu Law or not repugnant to any provision of law existing or to be enacted in future."

The Court of Directors directed the Government "to leave an opening for the introduction of measures which may prevent the raiyats being improperly disturbed in their possession." They wanted to protect the existing rights of the tenants. But as the rights could not then be fully ascertained, a safeguard of the tenants' claims was retained in the Regulation in Article VII (I) of the Permanent Settlement Regulation. (*Vide* Fifth Report, Vol. I, pp. 33-34).

So the freedom of choice was limited by the existing rights of the tenants. (*Vide* Fifth Report, Vol. I, p. 47.) (*Vide* also Regulation VIII of 1793, 49th and 51st sections where rights of istemrardars and dependent talukdars have been safeguarded.)

The zamindars were to utilise the land for the economic welfare of the province.

Q. 3. Hunter says in his "Annals of Rural Bengal"—when in 1790, the British Govenment pledged itself not to lay any further tax on reclaimed lands, capital quickly found its way to its natural destination for the improvement of the soil. Every able-bodied husbandman was welcome to as many acres as he could cultivate.

Field says in his Landholding "At the time of Permanent Settlement, a large portion estimated by Lord Cornwallis at one-third, at one-half by others and by some two-thirds of the land, capable of cultivation, was waste and probably was never otherwise," and "large tracts of land were rapidly reclaimed and brought under cultivation.

Mr. Field further quotes Mr. Dowdeswell from his Minute of 1811—"Vast tracts of land had been reduced to cultivation during 18 years that had elapsed since the Permanent Settlement" (Revenue Selections, p. 172.)

Mr. Colebrooke in his Minute of 1813 says—"Increase of agriculture has proceeded with rapidly surpassing expectation and in the greatest part of the country has already reached its limit unless it receives new impulse from the introduction of improved modes of husbandry. With the extension of cultivation, the zamindars have built up numerous institutions of public benefit, they have dug numerous tanks for drinking water. All these go to establish that they have fulfilled the task expected of them.

Before 1859, numerous complaints were made about the long career of oppression of the zamindars and rack renting of the tenants. But that was due to the fact that the rights of the tenants were not specifically defined in the Permanent Settlement Regulation. After the tenancy legislation of 1859 and 1885, the relationship of the zamindars and tenants has much improved; and the tenants are now on a more secure foundation about their rights.

Q. 4. It cannot be said of all the zamindars that they were collectors of revenue before the Permanent Settlement. Hunter says in his Annals of Rural Bengal (p. 373) that "in some districts, the landholder was almost independent of the Mussalman Viceroy". They exercised a sort of sovereign right subject to the payment of some annual revenue or rendering some service to the State. They were not mere collectors of revenue, but proprietors of land. In other districts

the zamindars were collectors of revenue, "the bailiffs appointed to receive rent". So that whether the zamindars were collectors or proprietors depended on the varying circumstances of the districts. But it must be admitted that the office was hereditary; as such they were not mere collectors.

But whatever might be the position before, after the Permanent Settlement, they were recognised as actual proprietors.

Q. 5. The Permanent Settlement is a solemn pledge in which it is definitely stated (Article VI, para. II) "Zamindars.....are to consider these orders fixing the amount of assessment as irrevocable and not liable to alteration by any persons, whom the Court of Directors may hereafter appoint to the administration of their affairs in this country".

It has been further laid down in Regulation I (Article VI, para. 3), "No demand will ever be made upon them or their heirs or successors by the present or any future Government, for an augmentation of the public assessment in consequence of the improvement of their respective estates".

That is the solemn pledge given by the Governor-General in Council under the direction of the Court of Directors in pursuance of a parliamentary statute—statute 24, George III, Chap. 25, in 1784, the 39th section of the statute required the Court of Directors to give orders for settling and establishing upon principles of moderation and justice according to the laws and constitution of India, the permanent rules by which the tributes, rents, services of the Rajas, zamindars, etc., should be in future rendered and paid to the united Company. In pursuance of the above statute it was declared by the Court of Directors that it would be within the spirit of the Act to make permanent revenue to be fixed. The Permanent Settlement is in the nature of a contract with the zamindars by the East India Company.

In 1858 the Government of the East India Company passed on to the British Crown, the responsibility and functions of the Court of Directors devolved on the British Parliament. Therefore no subordinate Indian Legislature can enact any law which will have the effect of unilaterally nullifying the Permanent Settlement. Therefore the pledge is not only morally solemn but it is legally binding on all future Governments of India or provincial Governments. But the Permanent Settement can be abolished only when there is mutual agreement between the zamindars and the Government.

From very ancient time, the Crown was the "Lord Paramount of the soil". As Lord Paramount, the Crown has the full freedom to dispose of the proprietary right in favour of anybody that he might choose. The choice fell on the zamindars. The tenants have the

right of protection. The State has taken upon itself the responsibility of protection of their life and property. In fact, Regulation I itself contains such safeguard, reserved for the future legislation for the welfare of the people. Hence neither can the tenants intervene nor need they intervene in such settlement.

Financial resources of the country have not been crippled by Permanent Settlement. In Bengal 74·2 per cent. of the total area is under cultivation. In Bihar and Orissa, 46 per cent. of the total area is under cultivation. As compared to the above, the Punjab has 3·2 per cent. of the total area under cultivation, Bombay has 9·3 per cent. of the total area under cultivation, Madras 29·5 per cent. under cultivation (a part permanently settled) and United Provinces 15·1 per cent. under cultivation (Province of Benares—P. S.)

Bihar & Orissa 441 per square mile.

Madras 311 per square mile.

United Provinces 445 per square mile.

Bombay 167 per square mile.

Punjab 246 per square mile.

From the above it appears that prosperity is more in the permanently settled area.

The rate of rent is lower in the permanently settled estates than the rate in khasmahals and temporarily settled area. Hence the tenants are getting the benefit of the lower rate of rent. Numerous public institutions have been established by the zamindars. In fact without Permanent Settlement the country could not have recovered from the shock of the terrible famine of 1770 that brought in depopulation and devastation. The zamindars have invested considerable sum that increased the value of land. All these prove that the financial resources of the country have not been crippled; on the other hand, it has increased with the introduction of the Permanent Settlement.

Q. 6. *Vide* answer to question 3. The object has been fulfilled.

(*i*) The increase in the area of cultivation is partly due to increase of population specially from the latter half of the 19th century. The earlier reports speak more of devastation and depopulation (*Vide* Pabna & Bogra Settlement Report, p. 30).

In Bengal population in 1891 was 39·1 millions and in 1931, 50·1 millions.

It has been increased by about one-third. This pressure of population has increased the area of cultivation.

(*ii*) Enterprise of tenants is another factor in the increase of cultivation.

(*iii*) The initiative and pecuniary assistance of the zamindars are mainly responsible for the extension of cultivation specially from 1793 to the first half of the 19th century (*vide* question 3).

Q. 7. (*i*) and (*ii*) At the time of Permanent Settlement the revenue was assessed at a high percentage of the produce—said to be even (10/11) (*Vide* Regulation II of 1793, section I), 90 per cent., yet the income did not exceed Rs. 2,68,00,989 as revenue. But the gross rental of the Presidency aggregated to Rs. 16,98,58,437 according to Land Revenue Administration Report of 1935-36. That shows the increased prosperity of the province is mainly due to the initiative and investment of considerable sum by the zamindars coupled with the enterprise of tenants.

(*iii*) Enhancement of rent is responsible for 15·94 per cent. increase in the permanently settled area.

In Government estates the rent has been enhanced to 37·45 per cent. within the years 1910 to 1935.

In temporarily settled private estates the enhancement is at the rate of 12·06 per cent. from 1910 to 1935.

Q. 8. The Permanent Settlement Regulation assessed the revenue on the zamindars in 1793 at a very high rate. But rights of tenants were left undetermined. The result was that the zamindars were charged with oppression and rack-renting for asserting their proprietary rights whch sometimes destroyed the rights of their tenants. Consequently tenancy legislation was passed in 1859 bringing about better relations between the landlords and tenants.

In spite of the charges, it must be said that the rate of rent existing at present is lower in permanently settled area than that in temporarily-settled estates and khasmahals. It is Rs. 3 per acre in permanently settled area while the value of produce per acre is Rs. 49.

In Cess Revaluation Report of Pabna value of produce is Rs. 19 per acre. Hence it cannot be said that the rate of rent in Permanent Settlement is not moderate. Whatever might be said the zamindars about rack-renting and oppression just after the Permanent Settlement owing to want of definition about the rights of the tenants, after the tenancy legislations of 1859 and 1885 the position has much improved now-a-days; and the relation of landlords and tenants is satisfactory (*vide* Land Revenue Administration Report of 1937-38).

The rent is more moderate in the permanently settled area than in the khasmahals and temporarily settled estates. About the generosity,

the numerous public institutions of Bengal stand on the munificence of the zamindars. Large numbers of rent free tenures in Bengal for the upkeep of the religious and charitable purposes speak of the generosity of the ancient zamindars. Excavation of numerous tanks for removing the scarcity of drinking water stands to their glory. In fact, if a survey is made about munificence of the old zamindars, it will establish that the zamindars have fulfilled their functions expected of them; nay—sometimes they did more than some of the present District Boards of Bengal.

But one duty the modern zamindars failed to carry out. The zamindars were enjoined to exert themselves in cultivation. But modern zamindars hardly care to exert themselves in the cultivation of their land.

Having an income sufficient to meet their style after meeting their revenues, they have stationed themselves in the big cities which supply them with the comforts of a luxurious style. The development of science and the quick means of transport have brought in competition which is growing keener with the passing of years. In order to keep pace with the progress, improved methods of husbandry should be introduced, modern knowledge should be diffused within the rural area. But still the people are encircled within the environment of the middle ages. For this the absenteeism of the modern zamindars is solely responsible. The scourge of malaria is destroying villages. Jungles are spreading around. The old tanks remain unreclaimed and serve as the hotbeds of injurious diseases. But the zamindars are satisfied with the annuities they get from their officers in cutcharies. The consequence is that they are looked upon with suspicion. They are too slow to keep pace with modern development of the 20th century; while their unsympathetic officers carry on their zamindaris and care not for the weal and woes of the tenants.

Q. 10. The Permanent Settlement has led to the benefit of the province as a whole (*vide* question 5). It would have been impossible otherwise for the province to recover from the terrible blow due to famine of 1770. It has created an enlightened and powerful middle class which has been the backbone of all progress.

Lower rate of rent enjoyed by the tenants is a feature of the permanently settled area. Hence it has been to the benefit of the largest number.

If the rent roll has increased it is mainly due to the exertion and initiative of the old zamindars. Consequently their own labour and investment are providing them with fruits to which they are justly entitled. But the tenants have not suffered for this increase as will appear from the lower rate of rent in the permanently settled estates.

Most of the modern zamindars purchased their property for very valuable consideration; and they are enjoying a reasonable profit for their investment. They are not getting any unfair advantage over their tenants.

Q. 11. (*i*) Zamindars do not get 80 per cent. of the profit. It is divided between the zamindars and the other intermediate tenure-holders of several grades. They get only a reasonable profit of their investment.

(*ii*) It is true that it has led to subinfeudation of tenancy.

(*iii*) Enhancement is not due to Permanent Settlement. It is higher in temporarily settled estates and khasmahals.

(*iv*) Overlordship is a matter of the past.

Q. 12. Permanent Settlement may be abolished if it has been archaic; and if the Government wants the benefit of the increased value of land, the proprietary interest may be acquired on payment of reasonable and proper compensation.

Q. 13. Not one of the suggestions need be accepted. If the Government wants to take advantage of the increased rental, they should pay compensation to the zamindars and acquire their proprietary interest.

Q. 14. Compensation should be paid on twenty years' basis.

Q. 15. Purchase of the net profit—10 per cent. should be deducted as collection charges and 5 per cent. as other incidental charges and depreciation. About 260 crores of rupees will be required which may be issued in bonds, redeemable in 100 years with 3 per cent. interests free of income-tax.

Q. 16. The money invested in land does not fetch liquid capital. The bonds received as compensation may be easily converted into liquid capital which may be invested in commercial and other profitable undertakings. This will modernise the present zamindaris. Tenants under the direct management of the Government will derive full benefit of their lands from improved method of cultivation introduced by the State. Thus an all-round improvement will follow. (*Vide* Prussian Tenancy Legislation of 1850 that placed Prussia in the front rank among the advanced nations of Europe—Field's Land-holding, p. 53).

Q. 17. Yes. The raiyats should be directly under the Government. The advantage is stated in question 16. All the intermediate tenures between the zamindars and the raiyats should be purchased.

Q. 19. The rate of rent now-a-days in khasmahal being higher and the method of realisation being far more strict, the tenants under the present circumstance will be unwilling to come under the Government. But if the realisation is made according to the provisions of Bengal Tenancy Act, and not under the Public Demands Recovery Act, the position will be different. The rate of rent should also be lowered.

Q. 20. Doctrine of subinfeudation has been encouraged by the Permanent Settlement. It affects rate of rent to a certain extent.

Q. 21. *Vide* question 16.

Q. 22. The intermediate tenures should be purchased by the State. The method of purchase is answered above in questions 15 to 17. The homestead and khas lands should remain with the zamindars. The criterion is laid down in Chapter XI of Bengal Tenancy Act which should be followed.

Q. 23. The occupancy right is another form of khudkasht raiyati right (the right of the resident raiyat) which existed in the pre-British days. The term is first used in Act X of 1859.

Q. 24. From ancient times the Crown is regarded as the "Lord Paramount of the soil". Such was also the case in the Muhammadan period. Even khudkasht raiyats had some limited rights. They could enjoy the usufruct but they could not transfer. Hence the proprietary right did not vest in the raiyat.

Land revenue was never a tax. It was the share of the State as Lord Paramount of the soil. The very fact that it could be made permanent shows that it is not a tax.

Protection of State is extended to the agriculturists as well as non-agriculturists. Hence the tax of protection should have been paid by the landless also. But the landless do not pay any land-revenue. Hence it is not a tax.

"Proprietor" does not mean the absolute ownership of a fee simple estate. It means the bundle of rights on land which make up the entire actual interest, a part of which may be the subject of use and disposal by different persons.

Q. 25. Occupancy right should be extended to all grades of tenants—raiyats or under-raiyats.

Q. 26. The doctrine of subinfeudation being abolished, different grades of raiyati interest will disappear.

Q. 27. It was the intention to give protection to all classes of tenants (*Vide* Fifth Report, p. 34 and p. 47 and also Art. VII of Regulation I).

Q. 30. (*i*) Even though any statutory right is conferred on the bargadars the number of bargadars would hardly decrease.

(*ii*) Increase of bargadars is partly due to the fact that right of transfer conferred by the Amending Act of 1929 has been taken advantage of and the lands sold away to meet the improvident expenses of the raiyats. The result is that they have to take to barga system of cultivation.

(*iii*) Economic depression has further contributed to it. The Bengal Agricultural Debtors Act is another factor which destroyed the rural credit and the financial stringency coupled with the abolition of landlord's transfer fee will further increase the number of transfers and reduce the raiyats to the position of the bargadars.

Q. 31. Less than two acres.

"75 of an acre for Pabna and 1·12 for Bogra" (Survey and Settlement Report for Pabna and Bogra, p. 66).

The majority of bargadars hold land as raiyat and under-raiyats. In Bengal, bargadars are labourers.

Q. 32. Right of occupancy should never be extended to them. Only if they cultivate they should be allowed to use the land till the reaping of the harvest.

Q. 34. Granting occupancy right to bargadars will throw the bargadars suddenly out of employment as the zamindars and tenure-holders and raiyats will rather keep the land uncultivated than allow such accrual of right on the part of a person who is but a labourer. The result will be that they will be further famished.

Q. 35. Half the produce by long-established usage. State should not interfere and further complicate a system which is working satisfactorily for centuries.

Q. 36. Wages of agricultural labourers vary from annas 4 to annas 6 a day. The condition of bargadar is better than that of a common labourer (Settlement Report, Pabna and Bogra, p. 71).

Q. 37. Right of transfer by the Amending Acts of 1929 and 1938 will prejudicially affect the raiyats. No distinction should be made between the agriculturists and non-agriculturists with regard to the transfer of holdings. That shows that short-sighted and hasty legislation is always bad.

Q. 39. Size of many raiyati holdings is uneconomic. Yes. All these factors are tending to further subdivide the holdings.

Q. 46. There is no bar to enhancement in the Permanent Settlement Regulation. Regulation VIII of 1793 exempts the istemrardars and dependent talukdars from enhancement of rent (sections 49

and 51) and also the khudkasht raiyats if so agreed in the patta [section 60(2)]. Regulation VIII by section 52 gives the zamindars full freedom to let the remaining lands....."in whatever manner he may think proper under specific engagements."

Q. 47. *Vide* question 46.

Q. 48. The presumption of fixity of rent from uniform payment of rent for 20 years was made in sections 6 and 50 of the Bengal Tenancy Act (*vide* also question 46); (also in Act XI of 1859, section 37).

Q. 49. There was no such intention—*vide* question 46. There is no sufficient material available to determine the pargana rate of rent. The only materials available are:—

(1) Official reports.

(2) Kanungoes' reports.

(3) Collection papers of the zamindars filed during 1269 to 1276 before Collectors.

In the settlement report of Pabna, Mr. Macpherson says "Apart from the difficulty of connecting any entry in these papers with the particular cases....., there is no means of knowing whether these returns were complete or correct.....Rates of rents were mentioned but whether they were actually applied in any given instance could not be assured."....."The older the paper the less likely is the tenant, who does not know the name of his great grandfather, to be able to trace his predecessor-in-interest (p. 100)."

The rates of rent in Bengal being lower than those in other provinces, grievances of the raiyats, if any, may be adequately removed by—

(*a*) abolition of subinfeudation,

(*b*) by improving the method of cultivation,

(*c*) by the introduction of improved seeds.

(*d*) by arranging for the marketing of produce so that adequate price may be had for the goods,

(*e*) by diffusion of agricultural knowledge among the cultivators,

(*f*) by giving up the policy of enhancement of rent or rack-renting as done now-a-days by Khasmahal Officers.

Q. 50. There was no mistake on the part of the Government to provide for enhancement on the ground of rise of the prices of staple food crops so far as raiyats are concerned. It is based on the principle that if prices rise, the zamindar will be entitled to get benefit of it as proprietor of the soil.

The fair enhancement is an incident of proprietary right, provided it is so agreed by the tenant in the patta [*vide* section 62(2) of Regulation VIII of 1793.]

Q. 51. In Regulation XIX of 1793 (non-badshahi lakheraj grants), section 8(2), paragraph 2, lays down the reduced rate of assessment on such land paying progressive increase. The assessment is to be regulated by rules prescribed in Regulation VIII of 1793 (*vide* section 50), i.e., according to the general rate of the district.

Q. 58. Imposition of any income-tax on agriculture will further affect the cultivators. Rent is to be prefered to income-tax.

Yes. A good deal of men will escape payment of income-tax.

Q. 59. *Vide* question 50.

Q. 60. Enhancement of rent due to fluvial action is very rare. So virtually the section affects nobody.

Q. 61. The enhancement for the rise in prices of staple food crops is based on the principle that if prices rise, the zamindar being the proprietor, is entitled to its benefit.

But the difficulty is that once an enhancement is made, the tenant will hardly go to Court for reduction of rent when the price diminishes. So the rate of increased rent is paid even at the time of reduced price of commodities.

Report on Survey Settlement Operations for 1932-33 shows that—

In Malda enhancement of rent has been 18 per cent.

In Rangpur enhancement is 11 per cent.

In Burdwan and Hooghly enhancement is 23½ per cent.

So this enhancement will affect the cultivators.

The average enhancement in permanently settled area is 15·94 per cent. In Government estates the enhancement is 37·45 per cent. from 1910 to 1935.

In temporarily settled estates, it is at the rate of 12·06 per cent. from 1910 to 1935.

Q. 63. If there be a provision for reduction, there should be a provision for enhancement.

There is no necessity of such apprehension from a Court of law.

Q. 64. There should be some provision for oppressive rent, e.g., in Government khasmahals.

Q 80. Yes. We agree to the suggestions. Adequate measures should be taken for marketing of produce for getting adequate price for the commodities.

Q. 83. Agricultural credit has been ruined. Government should establish land mortgage banks for paying the debts of the agriculturists.

Q. 86 and 87. Debt Settlement Board has totally destroyed the agricultural credit. Moneylenders do no more advance to the cultivators. In time of distress, they are suffering and selling their lands and cattle to save themselves. When cattle die, they get no money to buy a pair. So they are selling their lands. It has been found that numerous applications of the cultivators to a generous zamindar for money to buy cattle have been made and that many are of opinion that unless the Government sets up some method to help the agriculturists, all lands will pass out of their hands and they will be compelled to work as mere day-labourers. They cannot buy cattle even when the animals die.

Secondly, the Board is constituted generally of men of doubtful honesty and of no education. So they should be replaced by village munsiffs. Agricultural debts should be cleared from Government banks or land mortgage banks with the power to issue debenture, if possible.

Q. 93. Landlords have been deprived of about 36·74 lakhs of rupees of their income by the abolition of the transfer fee.

Value of the land has increased so that the tenants are selling their lands unhindered and in course of a few years they will be landless. That is the effect of hasty legislation.

Remission of rent in the case of diluvion with no compensatory remission in the case of landlords seems to suggest that the policy of the Government is to destroy zamindari system by all means—equitable or inequitable.

In such circumstances the best course is to purchase the landlord's interest by the State under a scheme as laid down above.

Reply by the 24-Parganas District Bar Association.

Q. 1. *Duties and obligations of zamindars.*—Besides the duties enumerated the zamindars had the duty of maintaining peace, policing. They had also obligations to inform the authorities, of bad characters in his elaka, and to supply stores to the army and Government officers and to help Government officials in their duties. These were additional and traditional or customary duties and obligations.

Rights of tenants.—Before the Permanent Settlement occupation of land on payment of rent was the only right. That rent was liable to be increased by impositions of cesses. Fixity of rent of tenants is a creation of British statutes. In this view no rights which tenants had, was taken away by the Permanent Settlement rather foundation was laid therein for a more lenient treatment of the tenants.

Q. 2. The power to choose his tenants was with the zamindar from before. Of course he could not prevent tenancies descending to heirs of khudkasht tenants. In case of transfers his express permission had to be taken.

User of the land.—Landlord had the right from before to prevent conversion of one class of land to another. No such rights were conveyed by the Permanent Settlement to zamindars.

Q. 3. Landlords made roads, drained wastes at huge expense, excavated tanks, dug wells and also established schools and other charitable institutions. They brought wastes and jungles under cultivation by (*i*) clearing jungles at their expenses, draining wastes and marshes, (*ii*) by offering temporary exemption of rents and progressive rent to tenants, (*iii*) by supplying money and seed to cultivators and paying for their maintenance before they could gather in their crops, (*iv*) by bringing cultivators from elsewhere and settling them on their lands at their expense. That increased activity and industry followed the Permanent Settlement is judicially noticed in the Great Rent Case of 1865.

It is difficult at this date to give positive proof of the part played by the landlords, but having regard to the fact that large capital outlay was necessary to bring wastes and marshes and jungles under cultivation and that the condition of the tenantry was such that they died by the thousands in 1770 owing to the failure of a single crop, and having regard to the fact that much land that was waste at the time of the Permanent Settlement is now under cultivation, it can reasonably be assumed that it was the landlords who furnished the capital for these costly undertakings.

Landlords did not fail to perform the function expected of them at the time of the Permanent Settlement. The revenue demand was

punctually met, this established the finances of the Government. As a class they were the staunchest supporters of the British Government. The landlords and tenants co-operated and helped the progress of the country, a settled condition was evolved out of the unsettled and unsatisfactory state of things prevailing before the Permanent Settlement. Trade internal and external developed.

Q. 4. It is not correct to say that zamindars were not proprietors of the soil before the Permanent Settlement.

It is true, however, that they were not the exclusive owners. The king, the zamindar and the raiyat were all proprietors of the soil as each of them was entitled to a certain share of the produce. But supposing this state of things which prevailed in Hindu times had been abrogated—we find that in Muhammadan times—

(*i*) the zamindaris were heritable;

(*ii*) when zamindars were deposed and settlement made with stranger, they were given portions of land or malikana in money;

(*iii*) zamindars' rights were transferable;

(*iv*) almost all zamindaris comprised extensive tracts of waste lands. If the State or the cultivators were the only proprietors of the soil then, these waste lands would not have been included in the zamindari settlement.

From the above facts a conclusion can be drawn that zamindars were not merely office holders or collectors of revenue but had an interest in the land.

Moreover, if we go to Hindu time we find that there were numerous petty chiefs under the king and the king himself was subordinate to an emperor.

Revenue settlement of the Moghuls recognized these petty chiefs as zamindars. They formerly maintained paiks and had to supply men for the army. They had the power and did decide petty civil and criminal disputes amongst their tenants. The Bara Bhuiyas of Bengal are a good example of this class. Their descendants are amongst the present day zamindars.

Having regard to the circumstances detailed above the zamindars seem to have been proprietors before the Permanent Settlement. The policy of the British Government has always been against violent or radical changes. If the zamindars were not actual proprietors from before it is unlikely that the British Government in these unsettled times would have acknowledged them as such or that the tenantry and the country at large would have accepted them as proprietor without any objection.

Q. 5. Lord Cornwallis in making the decennial settlement permanent was not acting with altruistic motives. He wanted—

(*i*) stability of the income from the revenue without reducing the then revenue demand;

(*ii*) to end the then unsettled state of the country, and to put it on the road to progress by inducing in the inhabitants a sense of security that they will not be subject to exactions at the pleasure of the Government officials;

(*iii*) a body of men who had influence in the country and would support the British rule;

(*iv*) to induce the capitalists to invest their capital in land for improvement of agriculture and industry (*vide* preamble to Regulation II of 1793 passed simultaneously with Regulation I of 1793).

By the Permanent Settlement he achieved these objects. Zamindars agreed to the revenue which at that time was nearly 9/10ths of their gross collections in the hope that future improvement will be for their own benefit and will yield them sufficient return for their labour and capital.

Within a few years of the Permanent Settlement many zamindars who had no capital at their command lost their zamindaris by revenue sale.

Capitalists purchased these zamindaris on the faith of the pledge of the Government that the revenue demand will not be incrased.

Others stuck to these zamindaris even though they had to find money from other sources for payment of revenue, believing in good faith that if they could improve their properties the increase they might obtain will be solely theirs.

Many of them have sunk huge sums in the land in an effort to drain them or to improve them so long as to make this profitable.

It will be hardly fair to tell them that the pledges given were really not meant to be honoured. It will make the investment of their choice, viz., their zamindaris worthless and destroy their capital.

During the mutiny the zamindars were loyal and helped the British. It would not be a fair return to violate the pledge on the faith of which they had supported the British Government, of course if it be taken to be merely a piece of legislation it has all the incidents of a statute and can be repealed or altered but it is more than a piece of a legislation, it is a solemn declaration of the Ruling Power on the faith of which its subjects have acted and changed their position.

As regards tenants not being parties, tenants are never parties to any revenue settlement of even temporarily settled estates. All that is done is that the assets of the estate, viz., the rents payable by the raiyats are ascertained. This was done before the Permanent Settlement and formed the basis of that settlement. The tenants were not affected and were not intended to be affected by the Permanent Settlement and their status were left open.

It indirectly benefited the tenants as the previous practice of enhancing raiyati rents and then fixing the revenue was put an end for all time.

As regards the Permanent Settlement permanently crippling the resources of the country it has to be noted that the present increase in raiyatwari assets are due to—

(*i*) waste lands being cultivated which would never have happened had not the Government inducements to the zamindars. Government of the day was hard put to it to find money for ordinary administration;

(*ii*) rise in rents due to rise in price of food crops which was due to increased trade following the Permanent Settlement;

(*iii*) danga lands and bagat lands being cultivated with jute. This was due entirely to the rise in price of jute;

(*iv*) greater pressure of the population on land the increase being due to peace and prosperity also due to destruction of our industry owing mostly to foreign competition.

Had the revenue demand not been fixed the zamindars and others would not have reclaimed wastes.

There would not have been stabilisation of the Government and society which followed the Permanent Settlement and consequently trade would have suffered and prices would not have risen and there would have been more famines and poverty.

If conditions had continued unsettled and trade dwindled, there would not have been such extensive cultivation of jute.

Nor would the population increase at the rate it has, leading to cultivation of land which formerly lay fallow.

When we look at the present figures of the gross assets, and are struck by the difference we forget that these figures include the rents payable by sub-tenants of the old khudkasht kadeemee raiyats and also the usufruct of khas and nankar lands.

If we take the raiyati figures only the difference will certainly not be so striking because we know that even to-day in some permanently settled estates rates of rent for raiyats are as low as 8 bighas or more per rupee per year.

We also forget that the khudkasht raiyats of the Permanent Settlement have now become or have been recorded as tenure-holders as many of them have let out their lands and have taken to other trades or professions.

One cannot say that the Permanent Settlement crippled the financial resources of the country looking only at the present day agricultural assets, as a great portion of the said assets is due to the Permanent Settlement itself.

Moreover, the increased assets are not altogether untaxed. They pay cesses. They have made for increased prosperity of the country and are indirectly responsible for increase of revenue in other shapes, e.g., customs, postage, stamps, court-fees, income-tax, etc.

Q. 6. *Extension of cultivation.*—Cultivation has extended. The question is who did it?

We find that after the Permanent Settlement many zamindaris were sold. This was because there was not much profit left to the zemindars after paying the revenue.

We also find zamindars letting out mouzas and mahals to patnidars. This was due to the fact that those who had engaged with the Government for revenue had not sufficient capital at their command to bring new areas under cultivation or improve the lands. The patnidars in many cases took lease at a rent which represented the nett realization from tenants.

The condition of the tenantry was not such that they could afford to spend money on improvement. In most cases individual efforts by tenants would not have improved the lands or made it fit for cultivation as any scheme for improvement would embrace a fairly large area beyond the limits of his small holdings.

The improvement and reclamation must have been done by either capitalists who could afford the money or by a combined effort of the tenantry pooling all their resources.

We can dismiss the theory of combination of tenants because of the almost insurmountable difficulty of dividing the area reclaimed equitably amongst the different persons working for reclamation, and also the difficulty of maintaining the works of improvement during the period that must elapse before they yield a return. We have to consider also that the tenantry of a village of locality was not a homogeneous compact body who would be likely to work together for their common good.

We have traditions on the other hand of drainage channels being dug, sluices constructed and embankments put up by the zamindars or patnidars.

Moreover, it was to the interest of the zamindars and patnidars to bring more land under cultivation.

We may therefore conclude that so far as marshes, wastes and jungles have been brought under cutlivation it was done by the zamindars and patnidars.

That this is so is also corroborated by the fact that the Government found it necessary to let out Sundarbans in lots to large capitalists, between 1825—1838. If the tenants were clearing jungles and reclaiming wastes at the time, the Government would not have adopted the policy followed in the Sundarbans and as alleged to their loss of revenue.

While this is the position as regards lands which required capital and organization for its improvement, there were other lands, village commons for example which were brought under cultivation. This was due to the pressure of population and the fact that everybody had not enough land for his support, enterprise of tenants was also responsible but to a very small extent as by itself it could only reclaim lands on which large capital expenditure was not necessary. Even here the landlord must have co-operated by exempting the rent for a period and accepting reduced rent for a period.

There are cases in the law books about the reclamation and jungle-bari leases. They shew that landlords were letting out to tenure-holders (not raiyats) jungles and wastes for reclamation which also explains the cause of the birth and intermediate tenures.

One can therefore apportion the increase at least 70 per cent. to the initiative and assistance of the zamindars and 30 per cent. due to increase of population and enterprise of tenants.

Q. 7. Rent roll of the permanently settled estates in 1793 is not quite dependable. It is based on returns given by the zamindars, who give figure of their receipts. This included the lands held by dependent talukdars under whom there were raiyats. Moreover, there was not such a systematic and regular survey and settlement as we have now.

Nor can the said figures be compared with the present figure of 12 crores. This 12 crores includes (*i*) assets of estates permanently settled long after 1793, (*ii*) assets of chars reformed on old site where rates of rent are very high, (*iii*) assets of under-raiyats.

For khas lands no assets were calculated at the time of the Permanent Settlement possibly because there was no demand then for those lands. It was due to the improvement subsequently made and the increase in the price of jute and other crops due to good trade conditions induced by the Permanent Settlement that there has grown a demand for such land. Had there been no Permanent Settlement it is doubtful

whether there would have been the present demand for land. Moreover, the computation of assets on the basis of cess revaluation is not fair. These cess revaluations represent the state of things when jute and other crops prices were high, and people are clamouring for a revision of the cess revaluation in most districts.

As to the cause of the increase, enhancement of rent is factor. Enhancement is not usually submitted to without demur. If we take statistics of rent suits and enhancement suits we find that not even per million per cent. of suits are for enhancement suits (in 24-Parganas). No doubt while prices ruled high the zamindar could get enhanced rent after making the land khas but there the arrears of rent he lost represented additional capital outlay by him. As regards the other two points I would refer to answer to question 6 and say that it was mainly due to the efforts of zamindars and patnidars and capitalists.

Q. 8. The whole question is what is meant by moderation. If it is meant that zamindars were expected not to be oppressive, it may safely be said that the majority of the zamindars were not oppressive.

There were ample safeguards in the shape of periodical returns required by the Regulations which used to be submitted by zamindars, against arbitrary increase of rent.

Khudkasht raiyats who held from before the Permanent Settlement were entitled to retain possession so long as they paid rent at the pargana rate, those who came after the Permanent Settlement were entitled to get pattas at pargana rates. All this was provided in the regulations of 1793 and subsequent Regulations. *Vide* Regulation 44 of 1793, Regulation 7 of 1799. So far as these tenants were concerned there was therefore no scope for arbitrary increase of rent.

As regards other tenants there has been increase but that was neither arbitrary nor illegal. As to extortion there were certain abwabs, e.g., nazar, on occasion of marriage, sanctioned by long usage, hisabana for getting dakhilas also a customary abwab. There were other fees such as nazar for recognition of transfers, nazar for felling trees, nazar for excavating tanks and erecting pucca buildings. As to the illegal abwabs sanctioned by custom they have been gradually stopped by the legislature.

But we must remember that these abwabs were there from before the Permanent Settlement so the condition of the tenants did not become worse that it was before.

The other fees legally recoverable were also classed with abwabs and there was agitation against them. The Government has yielded to the agitation and has now abolished them.

As regards the general treatment of the tenants, the zamindars so long as they were really secure in their power and influence, executed many works of public utility, founded religious, charitable and educational institutions which benefited the tenants.

As regards realization of rents our experience is that suits are generally not brought before 4 years. If rents are amicably paid interest is generally remitted. The conduct of the zamindars compared with that of the Khas Mahal Officers as to realization of rent is very lenient indeed.

But gradually with the curtailment of the rights, privileges and power of the zamindars a change has come about and the present day zamindars do not feel that they need do anything more than they are legally required to do. The personal touch has disappeared and zamindars have been forced to leave their villages where their ancestors practically ruled, but where they cannot now expect even the courtesy of a nod from the tenants.

The expectation was fulfilled after the Permanent Settlement but there has been a setback and a gradual estrangement between the landlord and the tenant since tenancy legislation was undertaken, and the tenants were taught that their only relation with the landlord is the payment of rent.

Q. 9. The extent to which zamindars improved their estate by their industry, enterprise and good management has been detailed in answer to question 6. But it is not always that the zamindars did it. In many cases the tenure-holders and patnidars brought in by zamindars effected the improvement. The improvement that we see round us is not due to the raiyats industry or enterprise to any appreciable extent.

Beyond extension of cultivation, good management and fair treatment of the tenantry and the punctual payment of revenue the Permanent Settlement did not impose on the zamindar any other obligations.

But their status as zamindars carried with it other obligations. Maintaining peace, helping Government officials in their duty and general police duties were amongst such obligations. But with these the tenants were not directly concerned.

Their status imposed on them an obligation to help their tenantry in distress to improve their lot and also to settle dispute amongst them.

While the zamindars lived in the villages it was usual to maintain a sadabrat or open kitchen, to help the tenants in cultivation with money and seeds (of course in the expectation or getting the same back with interest), to help them in distress, to settle their disputes, to help them with money or in kind on occasions of marriage, illness, death and the like.

But by the latter part of the last century the pecuniary condition of the zamindars had grown worse and many of them found it difficult to maintain themselves. They had therefore to send their children for education to towns with a view to their ultimately adopting some profession or trade. This is the genesis of exodus from villages. Partially it may be due to the greater comfort and luxury a town life affords.

Another potent cause of exodus was the treatment meted out to the zamindars by Government officials. If statistics be collected it will be found that many zamindars purchased houses in French Chandarnagore and within the jurisdiction of the Supreme Court in the town of Calcutta to escape persecution by Government officials in the mufassal. Once the virtual rulers of their zamindaris it was difficult for many of them to adopt themselves to the new conditions under which they had to carry out the behests of every jack-in-office conveyed to them possibly by the constable in a way that constables know.

The failure if any to carry out the obligations is due not so much to the zamindars themselves as to the changed conditions.

Q. 10. The Permanent Settlement was in the interest of the Government which found it difficult to realize the revenue under the then conditions. It was also in the interest of the tenants who could hope that there would be no further exaction in the shape of imposts by the Government. It led to increased activity and industry as mentioned before.

It has stabilized the revenue system of the country and made the Government revenue safe even in times of famine drought or on an economic unheaval.

It cannot be said that tenants were adversely affected by the Permanent Settlement. If we compare rents of khas mahals and neighbouring zamindari mahals the rents in zamindaris are lower. In any case no rights or privileges were taken away from the tenants and conferred on the zamindars.

Q. 11. *1st criticism.*—Appropriation of 80 per cent. of the income from the lands to zamindars.

Figure seems to be unwarranted—so far as we know there is no figure available for the profits of land enjoyed by actual cultivators and that enjoyed by the zamindars. We know of cases in which zamindars of 24-Parganas do not get even 10 per cent. as their profits.

Rents payable by the cultivators do not usually exceed half the produce even in case of bhag. The figure also does not take into account that a large body of raiyats are also rent receivers. It does not take into account the capital outlay of the zamindars or the arrears of rent for which lands were made khas and then let out at enhancement rent.

2nd criticism.—It has led to subinfeudation. Permanent Settlement regulation itself speaks of dependent talukdars so there was subinfeudation from before.

It is true that permanent tenures were created by zamindars; in many cases it was for getting lands reclaimed. The subinfeudation supposing it is due to the Permanent Settlement has not affected the tenants who were on lands. The incidents of their tenancies remain intact.

3rd criticism.—The Permanent Settlement has certainly not let to enhancement of raiyati rents rather it protected the tenant from further enhancement or imposts.

4th criticism.—It has not created any new overlordship over actual cultivators which was not there before the Permanent Settlement. Lords of villages were known in Hindu times, *vide* Manu Chap. VII, verse 116, 117. Zamindars were there from very early Moghul times and have continued till now. Before the Permanent Settlement the overlordship was much more real than now. It is nominal only at present.

There is no justification for the criticism that this overlordship is harassing apart from the fact that demand for rent and taxes is always deemed harassing by those who have to pay.

Q. 12. The grounds stated in question 11 are not sound and Permanent Settlement cannot be abolished on those grounds.

But conditions are developing due to socialist and communist propaganda which are looked upon with favour by a class of Government officials and ministers, under which the system so long in force will cease to function.

The raiyats have thrown themselves heart and soul into this agitation in the hope that in the new order to come they will not have to pay rents.

So the zamindars if they are wise and if they want to avoid a clash and a class war ought to agree to abolition of Permanent Settlement on receipt of proper compensation.

Q. 13. There is no loss to the state of 12 crores unless the state is to appropriate every pie of the rent paid by actual cultivator and also the income of the khas lands.

There has been consideration given in many shapes for the exemption of this amount from tax or revenue. It represents the return on the capital, industry and labour of people other than the Government can have no legitimate claim to it.

The word Permanent Settlement according to present day interpretation means permanent so long as it exists. It is no more permanent than other solemn contracts intended to be observed for all times but torn up at the first opportunity.

It is much better that the zamindari system should be abolished, because and here we speak from our experience of the Sundarbans in 24-Parganas, raiyats of temporarily settled estates are no less hostile to their landlords than the raiyats of permanently settled estates.

The raiyats should come directly under their chosen ministers and try if they can get the rent wholly exempted or partially reduced. The imposition of a tax on agricultural income is not justified on the reasons given in previous answers.

Q. 14. Proper compensation calculated at certain times their profit and statutory allowance of 15 per cent. thereon to cover any prospective increase should be given. It ought to be given cash because zamindars after present experience, are not likely to accept bonus which may at some future time be again treated as scraps of paper without consideration.

Q. 15. It should be redeemable if paid in bonds the period should be 60 years and interest 5 per cent.

Q. 16. Purchase of zamindaris by the state will revolutionize the social structure, the middle class and intelligentsia in Bengal will disappear but that cannot be helped. It is much better that there should be a voluntary change than a revolution after a clash.

Q. 17. In the interest of the tenure-holders themselves they should agree to be bought out, otherwise they would be subjected to the same treatment at the hands of the krishaks as the zamindars; to prevent a clash the tenure-holders should all be bought out.

Q. 18. In a case before the Settlement Officer, 24-Parganas, in December, 1938, the question cropped up and the Settlement Officer stated that there would be scarcely any extra cost to the Government in managing Sundarbans estates as the local Khas Mahal Officer can very well take up this additional work. One outside the Government Executive cannot very well give an opinion on this.

Q. 19. Whether the raiyats would prefer to be directly under the Government if the Government strictly realizes their rents is problematic. But now they are clamouring for the eradication of the zamindari system and it seems that under the delusion that rents would be exempted or reduced they would prefer to be directly under the Government which they imagine is run by krishak projas in Bengal and in their interests.

Q. 20. Answer to criticism (*ii*) of question 11 may kindly be seen.

Subinfeudation was not encouraged by the Permanent Settlement. As zamindars found themselves unable to pay the revenue assessed, and to reclaim wastes, they brought in persons with capital who undertook to pay the fixed jama and also undertook to clear jungles or reclaim waste at their expense.

In our opinion the creation of the permanent tenures has not effected the economic position of raiyats. It might have affected their social position when one of their class became their overlord.

Q. 21. If tenures are purchased by the state, the tenure-holders will disappear, this will help in the disappearance of the middle class.

Q. 22. The homestead and khas land of the zamindars may be granted rent free to them deducting the capitalized price of rent or revenue from the compensation payable to them or they might be given a permanent right of occupancy in those lands.

All lands which zamindars or tenure-holders cultivate in khas or otherwise enjoy in khas or get cultivated through bargadars should be declared their khas lands.

Q. 23. There seem to have been tenants who were not liable to eviction at the will of the landlord from the earliest times. This finds support from the fact that the only liability of a cultivator was the payment of a share of the produce in Hindu times.

Afterwards, during Muhammadan times, the raiyats' position seems to have grown worse. It is curious facts that the system of utbandi-tenancies at will (annual tenancies) is found prevalent near the Muhammadan centres of Government—Murshidabad, Nadia and Jessore.

Occupancy rights as we now have it is certainly the creature of British legislation. They have acquired many new rights and privileges under the British Rule.

Q. 24. The Hindu jurists say that the field is his who has cleared it. The king appropriates a portion of the produce because he protects the cultivator and he must bear a proportion of the sin of the cultivator if he does not protect. The above doctrine merely secured to the cultivator the right to occupy. In India squatting creates tenancy but that cannot import proprietorship of the soil. In fact the doctrine of escheat well known in Hindu policy cannot be reconciled with proprietorship of the cultivators.

Q. 25. If occupancy rights are a development of the rights of the actual occupier of land as in our opinion it is, it must be confined to actual cultivators and should not be extended to non-cultivators. We would go further and say that on ceasing to cultivate or to occupy occupancy rights should determine.

Q. 26. Raiyats who have sublet entire holdings should lose their rights of occupancy.

Those who have partly sublet may be allowed to retain occupancy rights only—

(*i*) If from disease, minority, female succession or such like cause they have sublet.

(*ii*) In other cases if they have not sublet the entire portion of arable land, and maintain plough and cattle themselves.

Q. 27. The question of non-agricultural tenants was not before the framers of the Permanent Settlement Regulation at all. The main object was to improve the condition of agriculture and extend cultivation.

However on equitable consideration it seems that people who have taken settlement of land for the purpose of constructing their own homesteads or factories on other lands and have occupied the land for 12 years continuously should be protected and given occupancy rights.

Q. 28. There is no reason why occupancy rights should persist in lands converted to other use except when homesteads are erected thereon or factories are built. The surety which it was the policy of the legislature to give the cultivators can be equitably claimed by other bona fide permanent residents and traders of village or town.

But there seems to be no justification for levying an additional tax on them. If rent be a proportion of the produce of the land, the assessment is already being paid for the same and no occasion has arisen for imposition of a fresh tax specially when income-tax is paid.

If it is argued that the land is now fetching more the reply would be "Did the Government impose additional tax when lands were sewn with valuable crops, e.g., indigo, tea, sugarcane, jute?" The answer must be "No"—, so there is no case for an additional tax.

Q. 28. The number of bargadars are increasing of late years in the 24-Parganas Sundarbans where rents are above Rs. 6 an acre. In the permanently settled areas where rents are much lower holdings are seldom made khas, so there is no occasion for increase.

From experience in the Sundarbans it appears that so long as prices ruled high tenants punctually paid rent and were well-to-do. There was demand for land. But since about 1926-27 prices began to fall and cultivators are unable to keep their holdings at rents of Rs. 6 per acre or more. Increasingly large quantities are being made khas and settled by the landlords with bargadars.

There would have been a general reduction of rents of the cultivating raiyats in the Sundarbans but the revenue has been settled on the

basis of raiyati rents being Rs. 6 and over. A commission has been granted to the Sundarbans lotdars varying from 35 per cent. of the raiyati assets in case of 40 years, leases to 66 per cent. in case of 99 years' leases. If rent is now reduced by the lessee in many cases he will not be able to meet the revenue and cesses.

If the Government had exerted itself to maintain prices of food crops at a remunerative level, given the raiyats marketing and transport facilities, arranged for warehousing crops and advances to raiyats against crops brought in, conditions would have been very much better and then there would not have been this agitation.

Q. 30. Cause (*i*)—Not at all correct. Giving statutory rights to bargadars would not stop their increase.

Cause (*ii*)—This is partially the cause.

Cause (*iii*)—Voluntary and involuntary sales have been frequent owing to the raiyats being unable to pay rents, and other debts, due to uneconomic prices of crops. There have been pestilence amongst their cattle to prevent which no adequate measures have been ever taken. They purchased lands by borrowing when prices were high. They borrowed money for financial, civil and criminal litigation. Of late years there has been a great increase in sexual offences, and this has led to increase of indebtedness of the raiyats. Instead of checking this wave of immorality and their spendthrift speculative propensities the authorities have punished the landlords and moneylenders by passing penal and consficatory legislations. The result has been destruction of rural credit. Already tales are coming in as to how for a few rupees necessary for treating a raiyat's son for cholera he had to sell a portion of his holding because no moneylender would advance the money for fear of Bengal Agricultural Debtors Act.

Q. 31. The area varies in different localities. In Sundarbans, etc., area is the acreage that can be plouhed by a man having one plough and two oxen, i.e., about 15 bighas. The majority of the bargadars also hold raiyati lands at money rents.

Q. 32. Barga system is really a labour contract. In many cases the seeds and other expenses are supplied by the zamindars.

The lands they cultivate are in many cases lands of raiyats or tenure-holders, who cannot do it themselves because of minority, incapacity, sex, religion or other disabilities.

They also cultivate the khas and private lands of proprietors.

For the above reason no occupancy rights should be given to the bargadars.

As regards protection we do not know that any case has been made out that they want protection. From experience we can say that it is the landlord who requires protection from his bargadars.

The harvest is reaped by the bargadar and usually stored in the landlord's khamar whence after threshing and measuring the bargadar takes away his share.

An agitation has been engineered that the bargadars should be free to take away the crops to a place of his choice. This agitation forgets that the crops are the landlords and the bargadars are to get their wages in kind.

Looking to statistics of cases which give a fair indication of the state of things in the country it will be found that while there are many suits for recovery of the share of produce due to the landlords there are practically no suits for recovery of wages or the share due to the bargadar.

If however the Government aprehended that the landlords cheat the bargadars of their dues, some machinery may be set up which will ensure a fair division of the crops and also to the reaping and harvesting of the crops.

Q. 33. Barga system is economically sound. Like all systems it may be abused and employed to prevent *bona fide* cultivators from acquiring rights in land. The quantity of lands that has to be retained khas varies according to localities and the system of land tenure.

A landowner having no other income and living in the mufassal will require a greater amount of khas land for the support of himself and his family.

One engaged in a profession and living away will require lesser amount of khas land than the former.

A lessee in the Sundarbans must have a considerable quantity of khas lands if he is expected to meet his obligations.

The requirement of a zamindar in permanently settled areas where embankments have not to be maintained and tenants have not to be given advance of seed and paddy for their maintenance would be much less.

The bargadar has to pay only a share of the produce grown—he does ont pay when there are no crops, so there is no hardship.

Q. 34. Barga being a contract from labour the effect of giving occupancy rights to the bargadars would be force unsuitable and unwanted labourers on the employer, moreover, it would not induce him to work diligently so that both he and his employer may benefit.

The fear that he may be changed and thus lose a source of employment and profit makes him exert his utmost. If this fear be removed he would naturally not take as much care of lands held in barga as he would otherwise do.

If occupancy rights are given not only will landlords try to keep lands in khas cultivation but a portion of the lands may be allowed to remain fallow. A large number of men will undoubtedly be thrown out of employment.

Q. 35. The proportion is always fixed by custom. It varies from ½ to ⅓rd of the produce payable to the bargadar.

In case of valuable crops like sugarcane, betel and the like a much smaller proportion may possibly be equitable.

If the Legislature recognizes local conditions and the value of different crops a maximum may be fixed, but they should always recognize the customary proportions prevalent in the locality.

Q. 36. Wages of agricultural labourers vary according to circumtances. In years of distress it is as low as 2 annas a day. In normal years 4 annas to 6 annas—sometimes more when all the labourers are employed, e.g., in transplantation and harvest seasons.

Taking the average yield of paddy to be 6 maunds per standard bigha and the price 10 rupees in 24-Parganas the bargadar gets 5 rupees for about 15 days' labour at the most. The wages do not seem to compare unfavourably with wages of agricultural labour.

Q. 37. Unrestricted rights of transfer has certainly led to the passing of lands into the hands of non-agriculturists—what the proportion may be it is not easy to tell.

The further facilities given by the Act of 1938 has increased this tendency.

In fact the combined effect of the Agricultural Debtors Act and the amendments is to make the raiyats sell their holdings wholly or partially whenever they have any necessity.

It is prejudicial to the interest of the cultivating raiyats as a whole, In our opinion the former restriction on the right of transfer should be restored.

Q. 38. The answer depends on what is meant by an economic holding.

If the meaning be that the area must be sufficient to maintain a normal family, a normal family of 4 would require about 36 to 40 maunds of rice, i.e., 60 maunds of paddy for the food. If 20 rupees more be required for clothes and other necessaries another 12 maunds

of paddy will be required. There the area should be sufficient to yield 72 maunds of paddy in half share the other half should be kept apart for rent, cost of cultivation, etc.

Taking an average yield of 6 maunds per bigha the area comes to 24 bighas.

Q. 39. Judging in the light of the answers to the above question most holdings are uneconomic.

The law of inheritance, statutory rights of transfer and increase of population are all tending to the subdivision and fragmentation of the holdings.

To prevent fragmentation the laws of inheritance have to be changed. But no such legislation has any chance of being passed.

Q. 40. Consolidation of holdings is certainly desirable. It cannot be brought about without interference with the laws of inheritance. Hindu and Muhammadans and the present rights of the holders. This can be done by legislation only.

Q. 41. Special facilities even if granted to consolidate his holdings spread over several plots in different places, will not make the average holding economic, acreage held by a tenant not being more than 6 bighas at present.

Giving special facilities for exchange would however go some way in consolidation of holdings.

Q. 42. Accumulation of large areas in the hands of cultivators with small capital is not desirable. It can be checked by fixing a maximum area which can be held by one person, or by making holdings non-transferable as before.

The maximum should be fixed at 100 bighas.

Q. 43. Coparcenary by itself is not detrimental to good cultivation. It is detrimental inasmuch as it leads to subdivision and may ultimately reduce area of the holdings to a figure where it is not economic.

As stated before this evil cannot be minimized without a change in the law of inheritance. If a right be given to the major co-sharer to buy up the share of others it might prevent subdivision.

Q. 44. Nothing can be done under the present laws.

Q. 45. If by collection is meant joint collection of rents we do not think it is desirable.

Q. 46. If we refer to the other Regulation passed in 1793, e.g., Regulation 44, and shortly thereafter, e.g., Regulation 7 of 1709, we find that purchasers at revenue sale are entitled to enhance the rents of ceratin classes of raiyats up to the pargana rate.

Thus it seems reasonable to conclude that one of the methods would be to enhance the rents of raiyats whose rents were enhanceable, viz., that of paikasht raiyats and that of khudkasht raiyats who had not completed 12 years' possession.

Those who so contend forget that the tenants had no staying however in 1793, that in course of time many raiyati holdings must have been made khas and then let out at increased rent, the increase being due to the additional capital sunk by the landlord in the shape of loss of areas arrears, and in the shape of improvements made since the Permanent Setlement.

Q. 47. No. *See* answer to the last question. As regards tenants who would come after, it was obvious that they should pay the rates in force at the dates of their settlements. No indication can be found that the pargana rates in force in 1793 were to be kept fixed and unalterable.

If that were the intention we would have found some traces of it in the legislation coming after the Permanent Settlement we find no such trace but contrary indications in Acts X and XI of 1859 and Act VIII of 1885.

Q. 48. No answer—as we do not so believe.

Q. 49. There is no case for reducing the rents to the level of 1793. Trade and prosperity which were not there in 1793 has come to the country. Improvements in transport facilities, have been made, marshes drained, jungles cut. All this have had the effect on the economic life of the country. There is no reason why the tenants should have the 1793 rents restored either prospectively or reprospectively.

During the high prices rents soared to a high level. The zamindars are not only the people who took advantage of them.

Where rents are above a certain proportion of the yield they might be reduced.

To simplify matters we should take an average outturn and average price and come to a money figure.

It will certainly be difficult if not impossible to ascertain 1793 rents and 1793 tenancies.

Q. 50. In view of previous answer does not arise.

Q. 51. It was not the intention of the drawers of the Permanent Settlement Regulation that all future settlement of waste lands should be at pargana rate, as no such indication is found and as the said regulation assured to the zamindars the increase that may be due to their own industry and good management. If there was such an intention it would have limited the amount of increase that might be made.

Q. 52. The principle of determining fair and equitable rents in Bengal cannot be fixed on any one basis.

It will depend on the size, suitability and situation of the land and the pressure on land in that locality, the productivity and other local conditions.

As regards (*i*)—It does not take into account the fact that in the yield of land just paying the cost of cultivation, the industry of the cultivator is a factor. In fact the unearned increment of any particular plot of land is very difficult to ascertain.

As regards (*ii*)—How can a small holding, say of 2 bighas, yield any rent after paying cost of cultivation and food of the cultivator and his family.

As regards (*iii*)—This seems to be the only safe universal principle that may be adopted. The criticism that poorer land pays the higher rent under the system does not seem to be justified. The criticism should be rather be that a rich and fertile field would yield much more as profit to the tenant over and above his costs than the poor land would.

As regards (*iv*)—Market value fluctuates and in Bengal lands worth Rs. 200 per bigha are now selling at Rs. 25 per bigha, at times no purchaser can be found. It does not follow that no rents are payable therefor.

As regards (*v*)—Customary rates adjusted according to change in price of a staple product would be a cumbrous procedure and it would be difficult to ascertain the customary rates, for in most cases there is not one customary rate.

As regards (*vi*)—Competition leads not to a fair rent but a competitive rent.

Q. 53. The present rents are fixed mostly by the rates usually paid for the class of the lands, and competition. It is true that rates for similar lands vary in every village. The variation is due to the conditions prevailing at the different times when tenants took settlement.

Q. 54. We have no such experience. But if it is the case anywhere, possibly increased rent is due to the tenants agreeing because of remission of arrears or the like or because of their having taken direct settlement from the landlord of holdings made khas while their richer brethren retain the old rents.

The factors are (*i*) the size of the holding, (*ii*) the situation, (*iii*) the reputation of the landlord, (*iv*) the prosperity or otherwise of the country at the time of settlement, (*v*) the purpose for which the land would be used, (*vi*) nature of crops for which the land is suitable.

Q. 55. If a proportion of the produce be fixed as rent, then only there may be an uniform basis.

It is not so much a new record-of-rights that is necessary as record-of-rights on a new basis, viz., annual yield of each field.

Q. 56. One-fifth. Rents above Rs. 6 per acre are at present almost non-realizable. Each bigha yields Rs. 10 in 24-Parganas, Rs. 2 is 1/5th of the same, hence I would suggest 1/5th.

Q. 57. It should be re-examined from time to time. To prevent too frequent change and disturbance the statutory period as in the Bengal Tenancy Act of 15 years may be fixed.

Q. 58. There would be no advantage and we agree with the criticism of the method contained in the question itself.

Q. 59. In that it has not taken into consideration all the factors that go towards fixing of rents enumerated in answer to question 54; the priciples and procedure of the Bengal Tenancy Act are defective. It has formulated an artificial rule for finding out a prevailing rate therein also; it is defectiive. The size of the holding is never taken into consideration. It is also defective because it confines attention only to the price of staple food crops and not to the price of other crops grown on the lands.

Q. 60. Enhancement due to fluvial action is justified on the theory that it is the landlord proprietor's land which is improved.

It would not be fair to secure all the benefit of fluvial action to tenant.

Q. 61. Enhancement on the ground of rise in prices tends to keep the prices up and so from an economic point of view it is not sound.

Q. 62. If the theory of rents be that it is a share of the produce there can be no objection to applying the principle also to tenants who require the whole crops for their consumption.

Q. 63. If there were a provision for redution on the ground of prevailing rates there can be nothing to object to the prevailing rate as a ground for enhancement.

It is likely that sufficient consideration may not be given to the tenants' improvements and payment of advance rent of which there is no record.

Q. 64. If the parties are at arm's length, contracts should not be interfered with at all.

But if it is desired that rents which were raised or fixed in times when prices ruled high should be reduced a provision of law to that effect may be introduced.

Q. 65. (*a*) Section 104 (*h*) limits and restricts the right of suits. Any one considering himself aggrieved in any way should have a right of suit and redress in the Civil Courts.

The absence of a provision making the settlement of fair rent by the Revenue Officer binding in all cases and all parties, is another defect. Cases are to be found in the books where revenue has been assessed on the basis of certain rents payable by tenure-holders or other tenants but it was ultimately decided by Civil Courts that the rent so settled was not recoverable.

The amendment of sections 191 and 192 of the Bengal Tenancy Act in 1928 has further confused matters. Section 191 and section 104 and section 75 (*a*) should be made consistent and if the Civil Court decides against the fair rents settled by the revenue officers there should be a statutory provision to alter the revenue assessed accordingly.

Definite rules should be laid down for working out fair rents so that it may be matter of calculation merely.

There are no rules for settling rents of non-agricultural tenancies.

(*b*) The defects are—

(*i*) No provision for settlement of fair rents of non-agricultural tenants.

(*ii*) Absence of simple and definite rules which can be easily applied and fair rent worked out.

(*iii*) Some provision similar to having a table of rules drawn up as in the Part II should be inserted.

(*iv*) Maximum and minimum rents at a certain proportion of the yield of the land should be fixed.

(*v*) The superior landlord should be empowered to have fair rent settled for all grades of tenants under him, otherwise in a mahal where the rents are low and the tenure-holders intervening it is not possible to level up the rents. This works a hardship specially in cases where the landlord has affected improvements of a mahal by enhancement, irrigation, etc.

As regards procedure for settlement of rents, the enquiry and trial should be by the Civil Courts. The revenue officers and kanungoes are not trained for shifting owing to evidence and are not properly equipped for constructing leases and title-deeds of parties.

Q. 66. We do not know.

Q. 67. Revisional settlement are generally made with the object of enhancing revenue.

Q. 68. It is not the case of any particular estate. All Sundarbans estates were re-settled and the enhancements were 700 to 1,500 per cent. Many zamindars refused to take re-settlement and the states of many others were sold. Then on a representation from the lessees the Government revised their policy and resolved to leave a greater margin of profit to the lessees.

Q. 69. It was undoubtedly a mistake and it made the conditions of these tenants worse. Recently this practice of enhancing raiyati rents has been stopped in 24-Parganas, but enhancement of rents of tenure-holders continues.

Q. 70. *See* answer to question 53. The competition for the land, facilities for marketing, proximity of towns and mills are factors which cause this dissimilarity.

Q. 71. It is a fact that no remission of revenue is given to zamindars of permanently settled estates. Even in temporarily settled estates no remission is given on application by lessees, assuring the Government that they would give a similar remission to the tenants. Such applications were made in 1342 B.S. when there was failure of crops and famine in Sundarbans, 24-Parganas; but not entertained.

In khasmahals also remissions are not usually given on occasions of distress except in cases when failure of crops is due to the acts of neglect or remission on the part of the Government in maintaining bunds, etc.

The reason seems to be that no Collector wants to move the higher authorities for remitting the revenue demand. Possibly failure to collect revenue is deemed prejudicial to his chance of promotion and preferment.

Rules should leave it to the discretion of the Collector and these rules should be so amended as to make remission follow automatically in definite proportions if there be a certificate of distress or famine.

Q. 72. Average yield of paddy in the Sundarbans is about 6 maunds, of other crops we cannot say.

Q. 73. If we take figures for khas lands we find that the yield is decreasing. The reason seems to be that we do not and in many cases cannot allow the soil to recoup either by letting it lie fallow for some time, or by manuring it.

The Government has scarcely taken any steps to improve the fertility of the soil or for distribution of manures and seeds.

Q. 74. Very little advantage has been taken of the acts in question.

The reason for these Acts being generally availed of is the poverty of the people and inability to pay their share of the tax that must inevitably result.

Another reason seems to be the failure of the works done under the Sanitary Drainage Act and the Canals Act to give relief.

These Acts seem to have been the efforts of superior officers to improve local conditions, if on the other hand the proposals for improvement and details are settled by the tenants or with their consent and approval these Acts would have been in greater favour.

Q. 75. If the proportion spent on establishment rents, furniture, stationery, printing, etc., be compared with that spent on agriculture itself it will be seen that no greater success could be possible in the Government effort.

Criticism to the above effect was responsible for the diminished grants. We know that Frasergange was attempted to be colonized by Government efforts, the result was dismal failure. Ultimately Government had to induce.

Q. 76. Salami is realized by the Government in khasmahal, and also in settling waste lands in the Sundarbans.

The practice is an old one.

So far as we know it has never been utilized in improving the lands.

Q. 77. General policy of the Government has been since after the war to get more revenue. This set an example to the landlords and Government lessees and was certainly responsible for ultimate pressure on the tenants for more rents.

Everywhere there has been a race for getting more money. Those who could not survive have suffered and this has led to the uneconomic condition of the tenants.

As to the land system, meaning thereby the zamindari system, it does not seem to be responsible for the condition of the raiyats, for we do not find the condition of raiyats any better in the khasmahals.

The modification one would suggest is that Government should not look to land and rents for more revenue unless the Government has carried out real improvement works, e.g., irrigation, etc. It should not be allowed to exceed a certain level.

Q. 78. It depends on the size of the average holdings. If it be 1·9 acres, i.e., 6 bighas the yield is 36 maunds of paddy, price Rs. 54, cost of cultivation is on an average Rs. 3 per bigha, i.e., Rs. 18, leaving him an income of Rs. 36 per annum, i.e., Rs. 3 a month or anna 1-6 per day.

We do not know of any statistics of the employment or unemployment of the population in Bengal.

From the fact that all persons of a village cannot find employment in the village it is very difficult to estimate the income of a cultivator from other sources.

The following occupations are usually taken up. Day labour in earthwork or the like, breeding goats, poultry, farming, fishery, plying carts or boats.

The additional income would not however exceed Rs. 15 a year, say 9 pies per day.

The percentage of raiyats who can maintain themselves and their family on their income would depend upon the proposition of economic holdings to the number of holdings with some allowance say ⅓rd of the figure added the allowance being due to the number of persons who supplement their income from other sources.

Q. 79. It is not satisfactory. By the time the records are published it has ceased to represent the state of things correctly.

Unless change of possession be made dependent on records being corrected or notice being given to the authorities it is impossible to maintain a correct record.

In Bengal the system of United Provinces will not work unless there is legal compulsion to notify changes in possession and an officer appointed to appraise crops of each field.

Q. 80. In addition to the means suggested the following may also be suggested:—

(*i*) Checking animal and vegetable enemies to the staple crops and fruit and vegetables grown.

(*ii*) Giving them practical training in scientific agriculture.

(*iii*) Better marketing and transport facilities enabling them to get full value of their crops.

(*iv*) Advancing loans by the State banks to the cultivators at low rates of interest and arranging for realization from crops, this will prevent sale at low prices.

Q. 81. Pressure of population is one of the many reasons. It cannot be the main reason. On comparison of the Hindu and Muhammadan cultivating families we do not find that the Muhammadan families who are more prolific are any worse than their Hindu neighbours. If there is any difference they are a little better off. Increase in the number of adult or semi-adult males in a cultivator's family is always welcome.

Regarding surplus population it is difficult to arrive at a figure. If we confine ourselves to land and agriculture alone we can get the figures in the following way. Every six bighas or two acres support one cultivator and every eight acres support one agricultural labourer.

Calculating thus we get it that more than half the population of Bengal is really surplus.

But this does not take into account, the industries and other professions—taking everything into account there still is a huge surplus population for whom employment must be found if revolution is to be averted.

Q. 82. Other means of livelihood and employment must be found for the people.

Before the British established themselves in the country, weaving was one of the prosperous cottage industries. With the growth of British power weaving with the allied industries of dyeing, cotton-growing, etc., dwindled and have now ceased to exist.

To revive cottage industries in modern times the one pre-requisite is the supply of cheap power. The Government should utilize the natural reserve power, e.g., water power, coal, gas, etc., for supplying cheap power all over the province.

Starting large industries will also help by offering employment and preventing drain. The motor car manufacturing industry can be given as an instance. The Government should take steps for starting factories for the manufacturing finished goods in the country.

It is idle to say that this will disturb the balance of trade and therefore should not be advocated. The net result will be stoppage of drain form the country and make itself sufficient.

Q. 83. There is no efficient organisation either Government or private for giving agricultural credit.

Banks and warehouses are required in every village. When the rate of interest in the Presidency banks varies from 2 to 3 per cent. there is no reason why banks advancing loans at 6 per cent. to agriculturists in the mufassal should not be a success.

Q. 84. From experience in the Sundarbans loans it is certainly not the case that 25 per cent. of the gross produce goes as interest. 25 per cent. is the usual rate and the principle is the amount borrowed for seeds and for 3 to 4 months' maintenance, so 25 per cent. of the gross produce can't be spent on interest.

Of course in parts of the country where the majority of the population have a criminal tendency they borrow to meet the costs of litigation and necessarily their borrowing has no relation to the gross produce.

Unless some means can be found to stop borrowing the drain will always be there. The percentage may be lowered by legislation, but unless all debts are wiped off every 4 or 5 years no lasting improvement in their condition can be expected.

Q. 85. The co-operative credit societies have not succeeded in tackling the credit problem of the agriculturists.

Monies taken by the agriculturists have mostly been locked up and become unrealizable and the banks find themselves in difficulties.

The rates charged are as high as 15 per cent. in some cases.

They have not appreciably benefited the agriculturists to because no co-operative banks had the requisite capital and many of them have had to go into liquidation.

As to the latter part of the question we have no information.

Q. 86. Debt Settlement Boards have been able to destroy rural credit in the country. The Bengal and Assam Lawyers Association have made detailed proposals for amendment and also urged the repeal of the Act.

Q. 87. The suggestions if accepted would be a move in the right direction.

Q. 88. In 24-Parganas Land Mortgage Banks have not been established to our knowledge.

Q. 89. With the abolition of certificate procedure (facilities which were granted only to a limited few) there is no machinery for prompt realization of rents by the landlords.

Most of the rent suits are decided *ex parte*, i.e., there is no contest in nearly 90 per cent. of the cases. Yet the tenant is saddled with court fees and the landlord subjected to a dilatory process for realizing rents.

The landlord has not only to pay court fees but various other legal and illegal fees most of which are not recoverable.

One obvious improvement would be that the crops must be harvested and kept in custody of the landlords charged with the payment of rents.

No court fees should be levied in rent suits unless they are contested and no leave should be ordinarily be given to defend. There should to power to grant instalments to tenants in proper cases.

The sale procedure should be simplified and expedited. Penalties should be provided by law against tenants who make false pleas of payment.

Q. 90. Recovery of rents by certificate procedure does not seem to be objectionable. As to speedy realisation, certificate procedure is best adopted.

It is a glaring anomaly that the khasmahals having only about 70 lakhs to collect require a special procedure for the purpose and the

Civil Courts are thought insufficient even though their estates are not to be sold away under the Sunset Law, while the zamindars with about 14 crores to collect and with the sword of the Sunset Law over their heads are expected to survive through the processes of the Civil Court.

Q. 91. The Regulations not only enact but give reasons and are prolix. It is possible to re-enact the provisions in a more up-to-date and simple form. A simpler Act will in all cases be welcome.

Q. 92. The Acts which operate most harshly on landlords are Act XI of 1859, the Regulation VII of 1822 and Act IX of 1847 and the present amendments to the Bengal Tenancy Act. The Embankment Act, the Cess Act, the Primary Education Act and the Sanitary Drainage Act operate harshly on the landlord because they make the landlord and his estate responsible for realization of these taxes although the tenants' portion may remain unpaid.

The dues under these Acts should be realized directly from the tenants. Provision should be made for allowing landlords to deposit sale money after a revenue sale similar to O. 21, R. 89 of the Code of Civil Procedure.

The Act which operates harshly on the tenants is Regulation VIII of 1819 in demanding security for recognition of transfer.

Q. 93. The economic effect of the amendment of 1928 on the tenant is that by making transfers easy the tenants are gradually losing their property.

The landlords cannot choose their tenants and in some cases it has happened that tenants' transferees are richer or more influential people than the landlords and it is difficult to realise rents or get agricultural labour.

The landlords have also lost their nazar, the income to the landlords from this source is gone, i.e., at least 10 per cent. of their total income is destroyed.

Oral evidence of the representatives of the 24-Parganas District Bar Association on 16th March 1939.

PRESENT ON BEHALF OF THE ASSOCIATION:

(1) Mr. Phanindra Nath Brahma.

(2) Mr. Srish Chandra Haldar.

(3) Mr. Sashindra Kumar Ray Chowdhury.

In reply to the Chairman, Mr. Brahma said that legislation has not altogether succeeded in stopping abwabs but he thought that they

are paid more for accommodation to the tenants and as a means of avoiding insistence on regular payment of rent. Abwabs go partly to the landlords' agents but sometimes to landlords themselves. In his own case he has a tenure, the rent of which is Rs. 700 and odd, and the cess is Rs. 170. He has paid an annual abwab of Rs. 10 from before the death of his father 50 years ago and has never objected to such payment. By paying this abwab he avoids the payment of interest on his rent, and he said that if he were compelled to pay his rent quarterly he would certainly refuse to pay the abwab. It is not correct to say that tenants pay almost as much abwab as rent. Normally abwabs do not exceed 1 per cent. of the rent.

The Chairman asked whether under present conditions the existing land system is likely to survive. Mr. Brahma replied that a state of affairs is developing where the landlords can do very little. At the time of the Permanent Settlement only one-third of the province, or two-thirds, according to different authorities, was under cultivation. The waste and jungle areas were reclaimed by capitalists, i.e., landlords and tenure-holders. Tenancy legislation has taken away the landlords' incentive. They do not carry out improvements because it is uncertain whether they will get a return on the capital they might invest and because rents cannot now be enhanced. Tenancy legislation has greatly reduced the landlords' power and their position is no longer one which commands respect.

The level of rents in the Sunderbans is higher than in the rest of the district because the land is more fertile. There is less likelihood of drought owing to the embankments and little risk of floods, because excess water can be drained away by sluice gates. He considered the present rent reasonable. He himself pays at Rs. 6 an acre for land in the Sunderbans. Under-raiyat took settlement at Rs. 6 to Rs. 8 a bigha at the time when prices were high but nowadays they are not willing to pay more than Rs. 3 a bigha. Bargadars invariably pay half the crop. Their share varies with the outturn. This year there has been a bumper crop. He considered the barga system sound. In his own case he supplies seeds to his bargadars and he said it is unusual for bargadars to supply seeds. He also supplies cattle and plough on terms to such bargadars as require them. He agreed that bargadars pay more than under-raiyats but said that when land is sub-let on cash rent salami is also paid whereas bargadars do not have to pay salami.

In reply to Khan Bahadur A. Momin, he said that Mr. S. K. Ray Chowdhury is a landlord. He himself is a tenure-holder and Mr. Haldar has no connection with the land. The 24-Parganas Bar Association does not represent any particular class. He did not agree that the Association's reply indicated any bitterness against the raiyats and pointed out that the legal profession depends largely upon the prosperity of the raiyats. He did not agree that the landlords have

now lost their utility: he would rather say that their power have been curtailed. Landlords effect improvements on khas lands. He mentioned that in his case he had fenced a small area at a cost of Rs. 20 or Rs. 25 and a cultivator had immediately asked for bhag settlement which brought in Rs. 12 or Rs. 13 in the first year. Other landlords in the 24-Parganas have made improvements on their khas lands. Naturally the landlords expect a return, but the tenants are also benefited. He did not agee that the krishak agitation cannot be stopped. The number of raiyats who have joined the movement is small and they have joined it because of the economic depression. He agreed that the movement might be described as a class movement. He agreed that the Bengal Agricultural Debtors Act has killed all agricultural credit. It is not impossible that the present position of the zamindars may improve. An improvement in the tenants' condition will lead to an improvement in the landlords' condition.

He agreed that zamindari as an investment has become unpopular. Formerly zamindaris sold for 20 to 25 times the net profit: nowadays the price would be 10 to 12 times. (Mr. Haldar said it would be 16 times.)

The great majority of civil suits between landlords and tenants are for arrears of rent. Mr. Brahma showed from Government statistics that in 1937 there were 4·68 lakhs of rent suits representing 96·7 per cent. of the total number of cases. Only 3 per cent. of the cases were under other sections of the Bengal Tenancy Act. If the landlords and tenure-holders are bought out by Government he thought that the number of civil suits would increase unless certificate procedure is restored; but he agreed that there will be decrease of litigation between tenant and tenant. From the point of view of the Bar Association rent suits are not as important as title suits because in most cases rent suits are *ex parte*. The Bar would therefore be affected by decrease in litigation resulting from the abolition of the Permanent Settlement.

As regards his own tenure and the payment of abwabs to his landlord, he said that his landlord would not sue him unless three years' arrears accrue. He did not pay any abwabs like tohuri but gave something like parbani to the landlords' officers. He did not agree that the depressed classes and Muhammadan tenants probably pay more than he himself does in abwabs.

In reply to the Maharajadhiraja Bahadur of Burdwan, he explained as regards the reply to question 7 that the figures on which the Permanent Settlement was based were the assets of raiyats, and not of their under-tenants. The assets were about Rs. 3 crores on which the assessment was 90 per cent. At that time the value of paddy was about 8 annas a maund so that in terms of produce the assets to-day would be Rs. 9 crores if the value of paddy is taken at Rs. 1-8 a maund.

Cultivation has extended greatly since the Permanent Settlement and the area now cultivated must be double or treble that under cultivation at the Permanent Settlement. In terms of produce therefore rent is actually lower than what it was at the Permanent Settlement. By saying in the reply that the rent roll is not "quite dependable" he meant that the above considerations had not been included.

He said realization of abwabs is almost universal in his own district of Khulna and abwabs are generally paid by the tenants for some form of accommodation from their landlords. He thought that the same is true for 24-Parganas.

Explaining the doctrine of escheat to Dr. R. K. Mukerji in the reply to question 24, he said if a mokararidar dies his property goes to the Crown whereas if an occupany raiyat dies his property goes to the landlord. The tenants had no proprietary rights in the soil prior to the Dewani and certainly had none after the Permanent Settlement. Continuing to the Maharajadhiraja Bahadur of Burdwan he agreed that revenue free property was not included in the assets of the Permanent Settlement. Areas of less than 100 bighas if resumed went to the zamindars and areas of 100 bighas and more to Government.

He agreed that if a zamindar were to offer his estate voluntarily for a sale 10 times the net profits might be a fair price at the present time but it would be an entirely different matter if Government were to acquire all zamindaris. For forced acquisitions 20 times the net profits should be paid. Although the price of zamindari property has gone down, the causes are of a temporary nature and it is still possible for a zamindar to improve his position. He considered that State purchase would be a bad investment for Government. Government would place itself in an awkward position and would be subjected to political pressure from the krishak movement. He mentioned cases where Government had purchased estates for small amounts at revenue sales and had failed to manage them. It had settled the property in ijara, and subsequently had resettled it permanently. Government securities have fallen as low as Rs. 59 and are now at par. When Government need money badly it has to borrow at high rates. The position is the same now with zamindari properties. There is a period of depression and zamindari stock is low. He would say that the only reason for selling estates nowadays would be to avoid a class war. He was not in favour however of State purchase. The Government might well get into the same difficulties that were experienced by the East India Company before the Permanent Settlement. If the State does purchase, compensation will have to be paid at land acquisition rates.

As regards the reply to question 92, he explained that by "tenants" he referred to patnidars.

In reply to Sir F. Sachse, he said that when civil suits are decided *ex parte* Government should not exact full court fees. A fee of 8 annas or 12 annas would be sufficient. In the *ex parte* cases the procedure is dilatory and it takes months to issue notices, registered post-cards, etc., before the decree is obtained. The tenants then sometimes apply to have the decree set aside. He did not agree that *ex parte* rent suits are decided more quickly than certificate cases. He agreed however that there would be no objection to disposal of rent suits by revenue courts provided that the rents are realised expeditiously. He agreed it was a condition for the grant of certificate procedure to landlords that the record-of-rights must be maintained, and that was the reason why it has always been used in khasmahals. He said he is in favour of maintaining the record-of-rights. Mr. S. K. Ray Chowdhury mentioned that his estate had certificate powers until they were suspended recently, and was glad to pay the costs because his rents were more punctually realised. It is true that the legislature has preferred Civil Courts to revenue officers because the Civil Courts have a better knowledge of law. He agreed however that a knowledge of law is not essential to the assessment of rents. Sir F. Sachse enquired with reference to the reply to question 65 how it would be possible for the Civil Courts to decide all cases of assessment of fair rent. Mr. Brahma replied that the question of a tenant's status is often involved, e.g., whether he is a tenure-holder, occupancy raiyat, mokararidar, etc. These questions could better be decided in the Civil Courts. In the reply to question 55, he said that only the principle of assessment, which is the old law of the country, has been laid down. This principle is based on the productivity of the land. He did not agree that the Civil Courts would not be in a position to judge fertility.

In reply to Secretary, he said that munsifs would not visit the locality in order to judge the fertility of the soil but could send out Civil Court commissioner.

As regards the reply to question 89, he said that the proposal to have crops harvested and kept in custody of the landlords means that the Collector should depute a revenue officer to distrain the crops. He did not think there ought to be a general objection to this proposal. The abolition of distraint has affected the landlords because although the section was not much used, the threat of it was useful.

Fertility should be investigated by an expert staff after a period of 15 years and reduction or enhancement made according to the improvement or deterioration of the soil. The record would have to be maintained by some Government agency. He did not agree that after the re-settlement of their estates lotdars still had a 40 per cent. profit. Sir F. Sachse pointed out that if the average rent in the Sunderbans is Rs. 6 an acre and the lotdars' revenue was only 8 annas

they were making a large profit and it is only reasonable that they as well as Government should do something to improve agriculture and distribute seeds. Mr. Brahma replied that fertilizers have not yet become necessary in the Sunderbans. The spread of agricultural education is essential and this can only be carried out by Government.

He agreed that the Sunderban lots are entirely different from the rest of Bengal and that the rents fixed by revenue officers were assessed with reference to the existing rents fixed by lotdars and their under-tenure-holders. In the last two or three years some reductions of rents have been made by revenue officers. Sir F. Sachse pointed out that previously high contractual rents had been maintained by settlement officers under the supposition that they could only reduce rents on the specific grounds mentioned in 38, Bengal Tenancy Act. Mr. Brahma was of opinion that high contractual rents could and should have been reduced.

In reply to Khan Bahadur Hashem Ali Khan, he said that the income from his own property for which he pays Rs. 703 is about Rs. 1,200 and his profit is about Rs. 300. His own rate of rent is 12 annas or 13 annas per bigha and he realizes rent of about one rupee a bigha. Under-raiyats pay about Rs. 2 a bigha. The property is in a permanently settled area. In the 24-Parganas Sunderbans the Khulna jute also is grown. The average price of paddy is Rs. 1-8 to average rate is Rs. 6 an acre. The main crop is aman paddy. In Rs. 2. The average outturn of jute is 4—6 maunds a bigha and the average price is Rs. 5 per maund. Prices of jute and paddy are lower at the harvest season.

He estimated the cost of cultivation for aman paddy as follows:—

		Rs.	a.
3 ploughings at 6 annas a day each	...	1	2
Cost of seeds at 10 seers per bigha	...	0	6
Preparing field for seedling bed	...	0	6
Transplanting	...	0	12
Depreciation on bullocks (price Rs. 40—life 8 years, area ploughed 20 bighas)	...	0	4
Total	...	2	14

In the Sunderbans 1/20th of the crop is given to labourers for harvesting, storing, etc. He did not know of any case where as much as 1/10th is given. After deducting the cost of cultivation, there is certainly a good margin of profit left to the cultivators. The cultivators work only for three months in the year. The rice mills have taken

away rice husking: mat making and weaving have disappeared, and buses and lorries have affected the income from hiring out carts. Java sugar and sugar factories have destroyed manufacture of sugar by cultivators. If they could find employment all the year round, the average cultivator would be very well off. Another reason for the present position is the uneconomic size of holdings. When plots are scattered it is difficult to protect the crops. Fences would double the outturn. Consolidation of holdings is also desirable. Cultivators sometimes use cowdungs as manure. They pay nothing for it. Fish bones, carcases, ashes, leaf-mould and dung can be used as manure, but cultivators do not use these resources. A huge amount would not be required to re-develop rural industry. A vast amount of expenditure is now made on secondary education which only leads to unemployment. He was in favour of substituting agricultural education.

If a programme for social services is prepared the country may be willing to pay for it, but there is little confidence that the money will be used in the right direction. Some taxes recoil on the taxpayer: for example, road cess is not always used for the purpose for which it was imposed.

As regards his reply to question 12, he maintained that socialistic and communistic propaganda is now being carried on and zamindari officers are being threatened. Mr. P. N. Brahma referred to the case of Sir Daniel Hamilton who is universally regarded as an exemplary landlord. His paddy was looted and his officer who went to protest was mercilessly beaten and is still hovering between life and death. Government officers took no action to prevent the propaganda which led to this case. The Subdivisional Officer of Basirhat issued an injunction under section 144 when it was too late, although several applications had been presented to him from time to time asking for protection. Mr. S. K. Ray Chowdhury showed the Commission a leaflet which had recently been circulated by a local *krishak* party in Falta thana. Mr. Brahma said that these agitators never visit the areas where distress has occurred but confine their activities to areas where there has been a bumper crop. He agreed that all classes have the right to form themselves into associations but only consistently with the rights of other classes. He said that the price of paddy and jute has now risen. The increase in the price of paddy may have been due in some districts to crop failure but in other areas there have been bumper crops. The Tenancy Act has succeeded in giving some safeguards to tenants but it has failed in other ways. From the economic point of view it has not been successful. He agreed that the Acts of 1885 and 1928 might have been intended for the benefit of the tenants —so perhaps were the Bengal Agricultural Debtors Act, the Village Self-Government Act, the Sanitary Drainage Act and the Bengal Development Act,—but the real point is that the disease has not been

properly diagnosed. The main cause is economic. The cause of indebtedness is not due to oppression by the landlords or the mahajans. The reasons lie elsewhere. No scientific enquiry has ever been made into the causes of indebtedness. He had not heard that mahajans have charged as much as 37½ to 50 per cent. as interest. He would regard 12½ per cent. as not being high interest in respect of small loans. He did not agree that landlords as a class have been oppressive. Some landlords may have oppressed their tenants but the majority have not.

He had never heard of abwabs at 4 annas a rupee: at least in 24-Parganas. The Proja movement was not started 30 years ago but originated shortly before the last election. If the State buys up the zamindars and tenure-holders, the landlords would demand cash. Bonds would not be accepted and probably would be regarded as scraps of paper. He thought that if the landlords and tenure-holders received sufficient compensation in cash, they would invest it in industry. Lawyers have not been much affected by the Debt Settlement Act. It is true that the number of cases has been reduced but most of them would have been *ex parte* cases. He himself had moved for repeal of the Bengal Agricultural Debtors Act but not in the interest of the lawyers. The reason that landlords allow three years' rent to accumulate is because they do not wish to harass their tenants by suing them every year. If this were the practice, there would have been not only loss of money and loss of time—but the expenditure in court fees would have increased and the tenants would have to pay more. It is not profitable for the landlords to go to Courts for small sums, but eventually they have to go to Court because their tenants will not pay. The landlords may have been too indulgent but this only shows that they have not been oppressive.

In reply to Khan Bahadur M. Hossain, he said there may be opinions to the effect that the raiyats had proprietary rights before the Permanent Settlement but he did not consider that view historically correct. Mr. Justice S. C. Mitter may have said that raiyats had such rights "to all intents and purposes" but those very words make all the difference. He thought that the weight of authority is on the other side. He maintained that the grounds given in reply to question 4 are not consistent with the theory that zamindars were hereditary officers of Government. Heritability is one incident of a proprietary right but not of a Government official's position. When zamindars were removed, the payment of malikana was not a pension, but was given for all times, and does not indicate that zamindars were hereditary officers. The word "malikana" is itself inconsistent with such a theory. "Malik" is a Persian word meaning proprietor and shows that the allowance must have been paid in Moghul times in recognition of the proprietary right—(a wrangle then developed between the Khan Bahadur and the witness which made it impossible to report the proceedings and the Chairman had to intervene). In Moghul times

and up to the Permanent Settlement the assessment of revenue was fixed on the produce, and one-eleventh was given to the landlords as their profit. This does not indicate that it was a commission paid to an officer of Government for collecting the revenue. He had no statistics to show the extent of cultivation in other provinces but thought that it must have been very slow. The peasantry in other provinces are worse off than the cultivators of Bengal. It is due to the Permanent Settlement that the tenants have not been practically sold as slaves as has been the case in other provinces where there is no Permanent Settlement. He mentioned as reasons for the landlords' personal lack of interest for the welfare of tenants, first, the Cess Act which is designed for the execution of public works, social services and communications. He asked how many roads have been made since 1870. In 24-Parganas the District Board has not built a single road nor have any irrigation works been carried out. Another reason is that no enhancements for improvements are possible under the Tenancy Act. It is difficult for landlords to use the Tenancy Act because the procedure laid down is so cumbrous. If they lay out capital on improvements, they have to go to Civil Courts to get enhancements after registering the improvement effected (here the Chairman again intervened to terminate a wrangle). The present procedure is the same as lending money, and then going to the Civil Court to ask it to fix the rate of interest. Another reason is that the new section 75A of the Tenancy Act has stopped all enhancements.

He did not agree that non-agricultural tenants are included in the words "all classes" in the Permanent Settlement Regulation. The word "raiyat" was not synonymous with "tenant" at the Permanent Settlement. He thought by "raiyat" was meant cultivating raiyat. He was however in favour of giving security to non-agricultural tenants who have constructed homesteads or factories and have thereby improved the land. Pargana rates were not fixed for all times. They were based on productivity of the land and he did not agree that they should be regarded as inviolable on account of the provision that the cultivation of a more valuable crop was only a ground for enhancement. He did not agree that rent has increased three times in Bengal owing to enhancements. As example of improvements executed by landlords, he mentioned that the Chowdhuris of Satkhira had excavated a khal, 10 to 12 miles in length. This was in the 1860s or 1870s. He also mentioned the construction of a road from Taki to Calcutta by the late Babu Kali Nath Munshi during Lord William Bentinck's time. The Satkhira zamindars had also established an H. E. school in 1858 and constructed many roads. He could not say how much these landlords had spent: they are now ruined. He did not agree that the shortage of land revenue in Bengal is the reason why Government has not done more for social services. Land revenue in Madras may be greater than in Bengal but the revenue in Bengal is greater from other sources as

a result of the Permanent Settlement, and the density of population on the land in Bengal is double that of Madras. Holdings may be uneconomic, but it is due to the leniency of landlords and mahajans that the tenants have not suffered more than they have. Had Government encouraged agricultural education and development of home industries, they would have been well-off.

The raiyati assets have increased since the Permanent Settlement in cash but not in terms of produce. The valuation at the Permanent Settlement was made in cash but was based on the value of a share of the produce. The principal reason that assets have increased is the extension of cultivation. The reclamation of waste and jungle could never have been carried out by Government. He agreed that abwabs were made illegal by Regulation VIII of 1793 but he thought there is nothing immoral about their payment. There is no reason why a tenant should not make a contract with his landlord to pay him something in return for accommodation. He agreed that holdings have become uneconomic owing to increase of population and the laws of inheritance but thought that if productivity is stimulated, the land can provide enough food to the people. By "uneconomic," he referred to subdivision, and the scattered nature of holdings.

Bargadars suffer when there is a failure of crops but the same is the case with their landlords and the bargadar is not worse off than the landlord because his landlord has to pay rent. He did not agree that the system encourages indolence. A bargadar considers the fertility of the soil and other factors when he enters into a contract. The difference between a bargadar, and a raiyat in Moghul times, is that the latter had the rights of a tenant whereas the bargadar has none. If occupancy rights are given to bargadars, it would be giving them something for which they have not paid, and it would encourage dishonesty and indolence. They might not make any effort to cultivate the land and thereby make their landlords suffer. They might also try to deprive their landlords of the proper share of the crops.

It is correct that the new constitution has given political powers to the raiyats but not to such an extent that the legislature should carry through any unreasonable legislation—that would not be tolerated by the British public.

In reply to Dr. R. K. Mukherji, he said that his Bar Association stands for the maintenance of the Permanent Settlement and legislation for improvement of agricultural conditions. This improvement could be carried out both by Government and the landlords. The purchase price of zamindaris is now tending to recover. If the State purchases them, compensation should be paid at Land Acquisition rates because the purchase will be compulsory. Before 1929, the normal

purchase price was 20 times the net profit. In calculating compensation, the abnormal conditions now prevailing should not be considered. The causes of the present economic conditions are: ignorance and lack of agricultural education, and the fragmentation of holdings. It might be possible to effect consolidation of holdings by legislation but the laws of inheritance could not be changed. It is the laws of inheritance and not the land system which are responsible for the present condition. It would not be correct to say that the middle classes are exploiting the cultivators. If the price of paddy rose to Rs. 5 a maund, Burmese rice would still come into Bengal and affect the market. In the same way, Government can only control an industry so long as it can compete with foreign industries. The first necessity is to increase production.

Dr. Mukherji suggested that tenants might be given the option of paying rent in cash or kind. Mr. Brahma said that he would be prepared to take half of the rent in cash and half in kind. There would be difficulties in collection and in transport. He agreed however that provision of marketing facilities is desirable. Cultivators are out of work from six to eight months in the year. It would require finance to organize cottage industry. This would be beyond the power of the landlords. The State would have to assist. His estimate was that occupancy raiyats pay as rent one-twelfth of the gross produce. It might be as much as one-fifteenth according to the productivity of the holding. The area of an economic holding has been calculated at 8 acres. The average area in possession of a family is smaller, and that is a fact which shows the necessity of intensive cultivation.

Reply by the Rajshahi Bar Association.

Q. 1. The description appears to be exhaustive of the duties and obligations as set forth in the Regulation.

No, the Permanent Settlement did not take any existing rights of the tenants.

Q. 2. Permanent Settlement did not convey any such power.

The answer to the second part is also in the negative.

Q. 3. The landlords have played a small part in the economic development through extension of cultivation. They further did some work in the form of establishment of schools, hospitals, construction of roads and excavation of tanks, etc. The following seems to be reasons for partial failure:—

(1) It was nowhere laid down with clearness what functions were expected of the landlords; no suitable education and ideas for economic developments.

(2) The Government did not give any advice or provide for dissemination of improved and modern ideas regarding cultivation among zamindars.

(3) Absenteeism of the landlords.

Q. 4. Certain classes of zamindars were proprietors of lands from before and some were revenue farmers (collectors of revenue). But the Permanent Settlement gave all of them same status and recognised all of them as actual proprietors of the soil. The preamble and section 7 (Article VI), paragraph 1, of the Regulation show that it was assumed by the framers of the Regulation that they were proprietors from before.

Q. 5. The annulment would be a breach of solemn pledges of the East India Company which recognised the zamindars about 150 years ago, as proprietors. The tenants were not necessary parties as they were proprietors, and the Regulation was enacted for the purpose of fixing the revenue by the proprietors. Even assuming that the tenants were proprietors in the sense that the tenants were entitled to be in possession of lands on payment of rent, the said right of the tenants having been fully assured by subsequent legislation the tenants have not been prejudicially affected by the Permanent Settlement and the plea for annulling Permanent Settlement on the ground of the tenants not being parties has no legs to stand upon.

Q. 6. The expectation that the zamindars would extend cultivation was fulfilled to a considerable extent.

The increase in the area brought under cultivation is due mainly to the increase in population and to a certain extent to the initiative and pecuniary assistance of the zemindars and to the enterprise of the tenants.

Q. 7. It is difficult to give an estimate of proportion. Greater part of the increase is due to the reasons stated in clauses (*ii*) and (*iii*), Some increase is due to reasons stated in clause (*i*). We must notice here that much increase is due to silting up of low lands by fluvial action and natural causes, without any effort of landlords or tenants.

The figure of 12 crores does not represent the sum total of rents realised from raiyats which would be much less. In settlement, raiyats whose lands were let out in barga have been considered for the purpose of cess valuation as tenure-holders and annual value of the raiyats' interest, was made in such cases upon estimated value of produce and not upon the rental basis.

Q. 8. The expectation was fulfilled generally speaking, with few exceptions.

Q. 9. To a small extent the zamindars have improved their estates by industry, enterprise and good management. After creation of subordinate tenures this has been done to a certain extent by subordinate tenure-holders also.

The zamindars were expected to conduct themselves with good faith and moderation towards their raiyats and it was enjoined that strictest adherence to the same principles in the persons appointed to collect rent from them, should be made. This has suffered to some extent on account of absenteeism of the landlords.

Q. 10. It was in the interest of the country economically and for the greatest good for the greatest number according to the condition of the country prevailing at the time.

It has resulted in the advantage of the landlord but not at the expense of the tenants, whose status remained unchanged.

Q. 11. Eighty per cent. is not a correct figure. This figure is derived from cess valuation figures which is not a correct measure of the rents realised from raiyats. Besides at the time of Permanent Settlement many zamindaris were losing concerns and the zamindars had to invest large sums. Road cess and education cess diminished the profits of the zamindars to a certain extent. Cost of collection has not been taken into account.

(*ii*) There was subinfeudation but it was necessary for extension of cultivation and better management.

(*iii*) Permanent Settlement is not responsible for enhancement of raiyati rents. Raiyati rents in khasmahals and temporary settled estates are higher.

(*iv*) The overlordship may be in some cases harassing but in many cases, the resident landlord has acted as beneficent arbitrator and settled disputes between tenants and helped them in many ways.

Q. 12. No.

Q. 13. (*i*), (*ii*) and (*iii*) No.

Q 14. In the opinion expressed above this question does not arise. But if the Permanent Settlement is abolished or substituted by a different system adequate compensation should be given and in our view 20 years' purchase on the net annual profit would be suitable compensation.

It should be paid in cash. The outgoing zamindar will then get capital for engaging in business. In the absence of statistics it is not possible to answer.

Q. 15. Redeemable after 25 years. Five per cent. should be rate of interest free of income-tax.

Q. 16. There would be a violent change in social structure, the result of which, is very difficult to predict. The landed aristocracy and landed middle class will cease. If they get cash compensation, they may engage in commercial and business undertakings, it would no doubt be good to the country but if they succeed. But there is chance for want of training, they will fail and lose their capital. In which case the result will be disastrous.

Raiyats coming in contact directly with the Government will be like raiyats in khas mahals and under Court of Wards, who are in no way in better position and in many ways worse than raiyats under ordinary zamindars.

Q. 17. If zemindary right is to be purchased the tenure-holders' right, the rights of all above actual tillers of the soil should also be purchased, otherwise not. The result will be same as in question 16.

Q. 19. No.

Q. 20. Yes, it has brought the raiyats to closer touch with the landlords (tenure-holders) which helped them in some cases.

Q. 21. Same answer as to question 16.

Q. 22. Permanent raiyats should be given in homestead at suitable rentals. With regard to khas lands they should be given the option of taking raiyatwari settlement or given special compensation for khas right.

Q. 29. Slightly on the increase. Besides causes noted in question 30 increase of population is another cause.

Q. 30. (1) The tendency of the settlement authorities to record bargadar as occupancy raiyats temporarily led to a decrease in the number of bargadars. The amending Act of 1929 removed the apprehension of the raiyats and restored the old state of things.

(2) The facility given by Act of 1929 was not much. Heavy landlords' fees prohibited transfers.

Q. 32. No, because in that case there will be no check on recalcitrant and negligent bargadars from whom land can be taken back.

Bargadary is only a supplemental income of raiyats who have not sufficient lands. Question of protection does not arise.

Q. 33. Yes; does not arise.

Q. 34. The effect of giving occupancy right would be to abolish the barga system and many men will be thrown out of employment. Middle class persons who get their lands cultivated in barga depend in many cases for their subsistence on the usufruct obtained. They will be very hard hit.

Answer to the latter part of the question is in the affirmative.

Q. 35. Ordinarily half; in case of special crops and special circumstances the shares should be varied. No maximum limit need be fixed by law.

Q. 36. Ordinarily wages is annas 5 and 3 pies. In comparison with bargadars, the wages appear to be equal with the distinction, that the bargadar can adjust the time to be devoted to barga cultivation according to his convenience but the labourer has to act according to the convenience of his employers. The position of under-raiyats is better.

Q. 37. (*i*) No.

(*ii*) Yes; the tendency has increased.

(*iii*) No; it has increased the value of raiyat's interest.

(*iv*) No; that is purely arbitrary and will affect rural credit and will decrease the value of land.

(*v*) We have no suggestion.

Q. 38. About 7 acres.

Q. 39. Yes.

Q. 40. Yes, it is desirable. The method followed in the Punjab may be examined and if suited may be adopted.

Q. 41. Facility for consolidation by exchange should be given.

Q. 45. No.

Q. 46. Customary notion of rent was money value of a particular share of drops. Enhancement of rent in case possible rise in price of crops was contemplated.

Q. 47. No. Reason is given in answer to question 46.

Q. 48. Does not arise in view of answers to question 46.

Q. 49. It is almost impossible to determine which tenancies were existing from the time of Permanent Settlement and what was the rent at the time. Even if there is any case for reduction, lapse of time and creation of intermediate interest, acting of parties throw difficulties in the way.

In case of high rents for particular cultivation such as mulberry, if the said cultivation ceased to exist, relief should be given by reduction of rent.

Q. 50. Intention unexpressed in the statute does not bind the Government and there was no legal bar to provision for future enhancement of rent conceding that there was unexpressed intention, Government made no mistake in providing enhancement of rent in case of rise in prices and similar causes, as from very ancient times the practice, was to give a share of crops as rent.

Q. 51. No.

Q. 52. Value of a definite share of the produce.

Q. 56. One-fifth.

Q. 57. Should be alterable according to money value of the produce. Revision after 15 years.

Q. 58. No; does not arise.

Q. 59. Provisions of the Bengal Tenancy Act are all right.

Q. 60. No.

The principle is that rent is money value of a share of crops.

Q. 61. No.

Q. 62. Yes; but discretion should be left to the court to refuse enhancement in proper cases.

Q. 73. Yes; (*i*) want of proper manure, and (*ii*) blocking of natural waterways.

No effective steps have been taken by Government.

Q. 86. Debt Settlement Boards have been a total failure. The law is extremely defective and the persons who have been appointed to administer the law have not the capacity, training and competency to deal with it.

Very great misuse is being made for not fixing any pecuniary limit to the power of the Board. Ignorant and almost illiterate and irresponsible persons of no standing are now dealing with cases involving lakhs of rupees.

Application for settlement of joint debts are being made separately in different Board. As these joint debts are also in law separate two per cent. is being levied in the Board and in appeals on each application. So if ten persons jointly and separately liable make ten separate applications to the same or different Boards, the creditor will have to pay twenty per cent. as court-fees in the Boards as also in appeals if the determination is against him. The defects are too numerous to mention. Ousting the jurisdiction of the Civil Court and even of the High Court has worked extreme injustice in many cases.

Reply by the Tippera Bar Association.

Q. 1. The description given in the question of the rights and obligations of zamindars after the conclusion of the Permanent Settlement is, on the whole, exhaustive. The Permanent Settlement did not take away any existing right from tenants. On the other hand, the Government was empowered by Regulation I of 1793 to enact such Regulations as might be thought necessary for the protection and welfare of the dependent talukdars, raiyats and other cultivators of the soil. As a matter of fact, successive Acts have been passed by the Supreme Legislature as well as by the Local Legislature for giving better rights to the tenants which have considerably crippled the powers of zamindars.

Q. 2. Legislations subsequent to Permanent Settlement gave some powers to the zamindar to choose his tenant. But no power was practically conferred on the zamindars to regulate the usage of the land to the interest of the province as a whole.

Q. 3. Landlords have not done anything substantial in the economic development of the province. In regard to the economic development of the province the State is also responsible for the landlords' failure to perform completely the functions expected of them at the Permanent Settlement. Initiation of the State is necessary for the economic development of the Province as a whole.

Q. 4. Zamindars were actual proprietors of the soil before the Permanent Settlement.

Q. 5. Annulment of Permanent Settlement would certainly be a breach of the solemn pledge given by the East India Company to the zamindars. The Permanent Settlement has to some extent crippled the financial resources of the country. But road and public works cess, education cess, and embankment charges in areas where embankments are maintained by the Government have been imposed upon the zamindars after the conclusion of the Permanent Settlement.

The contention that tenants were no parties to the pledge is without any substance. Tenants with clearly defined rights conferred by several tenancy legislations had no existence at the time of the Permanent Settlement. Occupancy rights and other rights conferred upon raiyats have made them secure in the occupation of the lands. The annulment of Permanent Settlement would not take away the liability of raiyats to pay rents.

Q. 6. The expectation of increased cultivation made at the time of the Permanent Settlement has been fulfilled. Increased cultivation is due to enterprise of tenants as well as the initiative taken and

assistance given by landlords in some cases. In order to bring waste lands under cultivation, landlords have allowed tenants to cultivate free of rent for some time and at nominal rents for some time. Increase in population has also contributed to increase in the area brought under cultivation.

Q. 7. Valuation made in cess revaluation cannot be said to be accurate in all cases. Increase in rent-roll is due to increase in cultivation and reclamation of waste lands by the efforts of landlords and tenants as well as enhancement of rents.

Q. 8. Landlords have, generally speaking, conducted themselves with moderation towards their tenants and have extended generous treatment to them. But there are exceptions. Some landlords are extortionate in their demands.

Q. 9. Extension of cultivation is mainly the duty cast upon landlords by the Permanent Settlement. No other obligations than generous treatment to tenants were imposed upon the landlords. These expectations have to some extent been fulfilled. Absenteeism is to some extent responsible for the want of good management in some cases.

Q. 10. At the time the Permanent Settlement was introduced, the financial stability of the State was ensured. In the view, it was in the economic interest of the country and for the greatest good of the greatest number. The revenue system introduced by the Permanent Settlement cannot be said to have resulted in the advantage of landlords at the expense of tenants except in some instances.

Q. 11. Permanent Settlement has led to subinfeudation of tenancy. But the other criticisms are not justified. On account of the imposition of road and public works cess, education cess, embankment charges, etc., 80 per cent. of the income from land does not go to the zamindars. Enhancement of raiyati rents cannot be said to be the result of the Permanent Settlement. Nor has the Permanent Settlement created a system of overlordship over the actual cultivators which is harassing and oppressive. In temporarily settled areas also, rents are periodically enhanced.

Q. 12. The abolition of the Permanent Settlement cannot be advocated on the above grounds.

Q. 13. It is an over-estimate that the Permanent Settlement causes a loss to the State of 75 per cent. of the raiyati assets. Abolition of the Permanent Settlement would destroy the entire social and economic fabric of the country. Tax on agricultural income should not be introduced as the country is already heavily taxed.

Q. 14 and 15. It is not possible to give fairly accurate estimate of compensation to be payable to the zamindars in case of abolition of Permanent Settlement. Moreover there is a large variety of tenure-holders and sub-tenure-holders who have got permanent rights on payment of selami.

Their interests are also to be taken into account. Abolition of Permanent Settlement would lead to serious complications owing to the fact that various interests will be affected.

Q. 16. State purchase of zamindaris would lead to a complete disruption of the social structure of Bengal.

Q. 17. If the interest of zamindars be purchased the interests of tenure-holders should also be purchased by the State. It would not be of advantage to the raiyats to come directly under the Government. Khasmahal tenants do not enjoy greater advantages.

Q. 18. All that can be said is that a large staff will be necessary. It is not possible to give an estimate of the costs which will necessarily be very heavy. Percentage of collection charges in khas mahals would be a guide in determining the amount of costs.

Q. 19. There is no reason why the raiyats should prefer to come directly under Government. Khasmahal tenants are not in a better position. On the other hand, the khasmahal tenants are under disadvantages; payment of rent is imposed with great rigour. In the case of private landlords rents in many cases remain unpaid for 4 years.

Q. 21. Social and economic position of the province and of the tenure-holders would be seriously affected. The problem of unemployment would assume more serious proportions.

Q. 22. In case of purchase of zamindaris and tenures by the State, homestead and khas lands should be left to their occupation on payment of rent. Zamindars' and tenure-holders' khas land may be ascertained by reference to settlement khatians and the papers kept by them.

Q. 23. Occupancy rights of raiyats, as understood now, is the creation of British legislature.

Q. 24. I do not subscribe to this view.

Q. 25. Tenants actually cultivating the soil should have occupancy rights.

Q. 26. Tenants actually cultivating the soil should have rights of occupancy under both the classes contemplated in this question. Their statutory rights should be preserved.

Q. 27. Regulation I of 1793 does not appear to contemplate the case of non-agricultural tenants. Non-agricultural tenants should be given occupancy rights in respect of their homestead.

Q. 28. Fair rent should be realised from non-agricultural tenants occupying homestead. No additional tax should be imposed.

Q. 29. The number of bargadars is on the increase due to sub-division of holdings, increase in population, and indebtedness of tenants.

Q. 30. I do not think that the increase in the number of bargadars is due to causes enumerated in sub-clauses (*i*) and (*ii*). The increase is to a great extent due to the sale of raiyati holdings during economic depression and also due to unfettered right of sale conferred by the amending Bengal Tenancy Acts.

Q. 31. Approximately 2 per cent. of the total area of cultivated lands. Majority of bargadars do not hold lands in raiyati or under-raiyati right.

Q. 32. No bargadars are in the position of labourers.

Q. 33. Economically sound.

Q. 34. Occupancy rights should not be given to bargadars. If occupancy rights be given to bargadars, a large number of people will be thrown out of employment.

Q. 35. Half is a fair proportion. This limit may be fixed by law.

Q. 36. In the district of Tippera, the wages of agricultural labourers vary from 5 as. to 6 as. per diem in the average. Their economic position is not worse than that of bargadars. Under-raiyats are in a better position.

Q. 37. Considerable areas of raiyati lands have not passed to non-agriculturists. Transfer of raiyati holdings should not be restricted to agriculturists.

Q. 38. It is difficult to answer this. Size of an economic holding depends upon the number of mouths to feed and upon the fertility of the soil.

Q. 39. Yes.

Q. 40. It is desirable, but not practicable unless there is legislation on socialistic principles.

Q. 41. It is not possible to give special facilities according to the existing law of the country and mode of cultivation.

Q. 42. Undesirable, it is not possible to enforce any limit.

Q. 43. Coparcenary is detrimental to good cultivation. The evil cannot be minimised without interfering with the laws of inheritance.

Q. 44. This is not possible without resorting to legislation.

Q. 45. It is not desirable.

Q. 46. Enhancement of rents might be contemplated.

Q. 47. Permanency and fixity of rates of rent in the case of tenants does not appear to have been contemplated.

Q. 48-50. These questions do not arise in view of the answers given above.

Q. 51. It does not appear to be the intention of the framers of the Permanent Settlement that all future settlements should be made at pargana rates.

Q. 52. Determination of fair and equitable rates depends upon the quality of the lands. Conditions prevailing in other provinces do not apply to Bengal.

A maximum limit may be fixed by legislation.

Q. 53. Majority of rents are lump rents. But the quality is not overlooked. Rates of rent vary according to the quality of lands. Rates differ sometimes for lands of similar value in different villages.

Q. 54. No. Price or premium paid in acquisition have in many cases determined rent to be paid.

Q. 55. Re-adjustment of rents on a uniform basis throughout the province is not possible.

Q. 56. 1/6th of the gross produce should be the landlord's share. Its equivalent in cash should be taken. Otherwise disputes and complications will arise.

Q. 57. The rent should not be fixed in perpetuity. It should be altered according to the money value of the produce and the needs of the State. Rates of rent may be re-examined every 20 years.

Q. 58. There would be no advantage in the substitution of income-tax for rent. There will be serious loss of revenue in that case unless the assessment is too high.

Q. 59. The procedure for fixing fair and equitable rents and for enhancing rents is not free from defects. Enhancement of rents should not be allowed within 20 years. A period of 15 years is too short with regard to enhancement on the ground of rise in price of staple food-crops. Price of two decades should always be taken into account in determining the amount of enhancement. Revenue officers should not be entrusted with the duty of finding out the prevailing rate of rent.

Q. 60. Enhancement as a result of fluvial action should be allowed to the landlord.

Q. 61. No objection.

Q. 62. Enhancements on the ground of rise in prices may not be given in the case of tenants who require their whole crops for their consumption. But it will be difficult to determine this when disputes will arise.

Q. 63. No objection on principle. But improvements effected by the tenants and advance rents if any paid by the tenants should be taken into consideration.

Q. 64. There should be such provisions in the law.

Q. 65. The same procedure should be applied in the settlement of rents in temporarily settled estates and permanently settled estates. In both cases, the appellate tribunal should be the District Judge who should be empowered to transfer appeals to subordinate judges.

Q. 66. Yes, there are cases when settlement of fair rates in private estates under section 105, Bengal Tenancy Act, has resulted in unfair enhancement. In my opinion the fault is mainly due to settlement courts.

Q. 67. It is true.

Q. 68. In parts of pargana Bardakhat in the district of Tippera.

Q. 69. Yes.

Q. 70. This is due to different principles adopted in different districts.

Q. 71. It is a fact that remissions are not ordinarily given and in khas mahal areas, remissions are not allowed to a sufficient extent. It is due to Government policy and probably due to instructions issued by the Government. Rules may be improved.

Q. 72. Average yield and cost of cultivation vary according to the quality and situation of lands and rates of wages of labourers who are employed in helping cultivation.

Q. 73. It is believed that productivity of the soil has deteriorated. No steps are taken by the Government to improve the fertility of the soil. Manures and improved seeds are not distributed. The Agricultural Department is not properly organised.

Q. 74. Provisions of these Acts have not been here taken advantage of. Levy of charges gives rise to discontent and tenants are unable to bear increased burden and have no remedies against improper assessment in Civil Courts which are alone competent to deal with intricate questions of law involved.

Q. 75. We have got no information.

Q. 76. Salami is realised. Cannot say from when. It is not known that salami or any portion of it is utilised in improving the agricultural condition of lands.

Q. 77. The policy of the Government is mainly and the land system is partly responsible for the present uneconomic condition of the raiyats. Cottage industries should be encouraged and attempts should be made to raise the prices of paddy and jute and other commodities.

Q. 78. Average income of a raiyat from his holding consisting of 3 acres of land may be approximately Rs. 100. It is difficult to say his average income from other sources. Almost 25 per cent. can maintain themselves and their family from the income derived from holdings.

Q. 79. Present system is unsatisfactory. Continuous and accurate land records may be maintained. A full statement of the crop on each plot from year to year is desirable. But it will require a great deal of labour and expense.

Q. 80. The suggestions are commendable. Steps should also be taken to raise the price of commodities.

Q. 81. One of the main reasons is the pressure of population in the land. It is difficult to say without detailed enquiry what percentage of population is surplus in respect of the agricultural needs of the country.

Q. 82. Starting Government-aided factories will be of some relief, but is not the only means of relieving the pressure on lands.

Q. 83. No efficient organisation, Government or private, exists for the improvement of agricultural credit. Steps may be taken to finance liberally the Land Mortgage Bank and also to help loan companies in the mufassal and debentures may be issued.

Q. 84. It cannot be said that 25 per cent. of the gross produce of land goes to the mahajans as interest alone. After the establishment of Debt Settlement Boards, payment of debts has practically been suspended.

Q. 85. Co-operative societies have greviously failed in tackling the credit problem of the agriculturists. Agriculturists have not been benefited by the co-operative societies. It is due to mismanagement and undue Government interference. A very small percentage of agriculturists are members of such societies. It is not known that any co-operative society has actually succeeded in wiping out the debts of their members. Rate of interest is rather high.

Q. 86. Debt Settlement Boards have not been able to deal with the problem of agricultural debts. There are various defects. The Act itself is imperfect. The working has been entrusted mostly to people who are ignorant of law and have no experience in sifting evidence. Cases are not disposed of and kept pending indefinitely. Arrears of rent should be outside the jurisdiction of these Boards. Rural credit cannot be improved unless creditors can expect to get their money back at reasonable rates of interest or Land Mortgage Banks are established in each union in the district for providing money

at low rates of interest and for granting short term loans to enable the agriculturists to meet their temporary needs. Debt Settlement Boards have entirely destroyed rural credit.

Q. 87. This is desirable.

Q. 88. Land Mortgage Banks have not functioned and cannot function properly. Government or Provincial Co-operative Banks should finance these Banks liberally. If shareholders get dividends, deposits may be made by private individuals for financing the Banks. But the Government is anxious to recoup what they have paid for establishment in the beginning.

Q. 89. Machinery for realisation of rents is costly and cumbrous and harassing to tenants. The procedure in rent suits should be simpler.

Q. 90. Recovery of rents through the Public Demands Recovery Act becomes harassing owing to the undue zeal of subordinate officers in enforcing the provisions of Act with rigour. The procedure in Civil Courts and Revenue Courts for realisation of rents should be made simpler.

Q. 91. Revenue laws should be revised and codified in simpler form.

Q. 92. Act XI of 1859 and Regulation VIII of 1819 operate harshly on landlords and tenants. In Act XI of 1859 provision should be made for setting aside the sale at the instance of defaulters or persons interested in the estate such as mortgagees by depositing the Government dues within 30 days from the date of sale. In Assam, there is such a provision. Sales under Regulation VIII of 1819 have the effect of annulling all sub-tenures and incumbrances. Sales for arrears of six months or mid-year sales should be dispensed with. All notices of sale should be served through the Revenue Courts and not through the zamindar's peon.

Q. 93. Landlords and tenants will both be economically affected by the Tenancy Act of 1938. It is apprehended that cultivating raiyats would in many instances be reduced to the position of landless labourers inasmuch as rural credit has been destroyed and the only means of finding money is by the sale of lands. The provision for limiting the period of complete usufructory mortgage to a period of 15 years will also operate harshly on the tenants.

The average loss of landlords' income due to the abolition of landlords' fee is probably 10 per cent. in the average.

Anjuman Associations.

Reply by the Anjuman-i-Millatul Islam, Hooghly.

Q. 1. The Permanent Settlement did not mean to take away any existing right from the tenants; but it created an intermediate class of feudal overlords who in course of time imbibed a false notion that they were the actual proprietors of the soil.

Q. 2. Partially.

Q. 3. The zamindars fell far short of the duties which the Permanent Settlement expected of them. They did not contribute anything substantial towards the development of the country; of course there are some exceptions. The main reason is that the charm of modern city life dragged them from their tenants and gradually the bond of love and duty towards them was broken.

Q. 4. The views seem correct.

Q. 5. Much may be said on both sides. In short the annulment of Permanent Settlement would certainly amount to a breach of the pledge but at the time it is a fact that the Government of the country is losing the advantages of an elastic system of any other sort of land revenue settlement.

Q. 6. To an extent almost negligible.

(*i*) Considerable extent.

(*ii*) To certain degree.

(*iii*) Almost nil with some exception.

Q. 7. All the three factors are responsible for this increase and second and third being predominant.

Q. 8. No; as collectors of rent, the zamindars are unmindful of the tenants' distress or disadvantage; they care only for their share and deliberately overlook even failure of crops.

Q. 9. To no appreciable extent.

To look after the welfare of the tenants.

To a considerable extent.

Q. 10. Yes, for the greatest good.

It has ultimately resulted in the avantages of one at the expenses of many.

Q. 11. To a considerable degree, this criticism is sound.

Q. 12. Substitution of "via media" in the shape of temporary settlement with zamindars.

Q. 24. Yes, but the State is ultimate and actual proprietor of the soil.

Q. 27. No.

Q. 28. No. Yes.

Q. 32. No.

Q. 72. As regards paddy, average yield per acre is Rs. 40 approximately against cost of Rs. 33 approximately.

Q. 73. Yes. For want of sufficient quantity and good quality of manure which is chiefly due to poverty of the tenants. Government arrangement is not so satisfactory.

Q. 77. The land revenue system is responsible to a great extent for the wretched condition of the raiyats; of course, Malaria, the prevailing disease amongst the poor due to malnutrition and insanitary conditions, contributes to some extent to this wretchedness of the mass.

Relief in the shape of partial deduction in rent, good medical arrangement together with the efforts to increase the income of the tenants will go a long way towards the amelioration of their condition.

Q. 78. Only a small percentage of the raiyats can make their both ends meet somehow.

Q. 80. The suggestions are all welcome for the well-being of the tenants; special attention should be given to good irrigation system for agricultural purposes and establishment of cottage industry. Temporary pecuniary help in shape of agricultural loans at the time of cultivation will solve much of the worries of the tenants.

Q. 83. Government should exert itself to grant some relief to the raiyats through its own organisations having branches in interior remote villages.

Q. 84. Yes. The only remedy lies with the Government which can give credits on nominal interest to the tenants to tide over their temporary difficulties.

Q. 86. Not very satisfactorily. Yes: as the members of the boards are not very happily selected. They are and can be influenced by men of poorer position; so the sanctity of a court is not always to be found in the working of these boards.

Q. 87. Yes. Government should do it as early as possible.

Reply by the Anjuman-i-Islamia, Mymensingh.

Q. 1. The Permanent Settlement with zamindars took away the then existing rights of the tenants for it purported to vest proprietary rights in the zamindars, though at the time of the Permanent Settlement tenants were the real owners of the land.

Q. 2. (*a*) Permanent Settlement conveyed to the zamindars the power to choose their tenants.

(*b*) But it did not give any power to the zamindars to regulate the usage of lands.

Q. 3. Zamindars have done nothing for the economic development of the country after the Permanent Settlement.

They have totally failed to perform the functions expected of them because they are idlers, ease-loving, arrogant and are mere puppets in the hands of their greedy and tyrannical amlas.

Q. 4. The zamindars were not the actual proprietors of the land before the Permanent Settlement.

It is not correct to say that the Permanent Settlement converted the status of the zamindars from collectors of revenue to actual proprietors of the soil. Their right over the soil was actually the same as a poddar had over the treasury money.

Q. 5. It was not a pledge given by the East India Company to the zamindars but a Regulation promulgated by the then rulers of the country to meet the then requirements, which like all other Regulations and statutes is always subject to amendment, modification or annulment according to the change in the country. Even if it be considered as a pledge the tenants or the people of the country were not party to it and as such it cannot stand on the economic progress of the country. Moreover, it is doubtful whether the East India Company had any right to make such a declaration.

Q. 6. This expectation has not at all been fulfilled.

The increase in the area brought under cultivation is wholly due to—

(*a*) the increase of population,

(*b*) the enterprise of the tenants and no initative taken by the zamindars.

Q. 7. The increase in the rental is wholly due to the enhancement of rent of the tenants.

Nothing due to the good management of the zamindars.

Q. 8. The zamindars have totally failed in extending the generous treatment towards the tenants which was expected from them at the time of the Permanent Settlement, on the contrary they are oppressing the tenants right and left. The expectation has totally failed.

Q. 9. (*i*) The zamindars have not in any way improved their estate by industry, enterprise and good management.

(*ii*) Besides extension of cultivation Permanent Settlement expected from the zamindars to look to the welfare of the tenants, their moral and material progress and this they have failed to carry out.

Absenteeism of the zamindars is not responsible for this.

Q. 10. No. It was not.

It brought into existence a revenue system which is not beneficial to the province, but it introduced a revenue system which has resulted in the advantage of the landlord at the expense of the tenants and the people.

Q. 11. The criticism regarding Permanent Settlement as noted in question 11 is quite justified.

Q. 12. We advocate the abolition of Permanent Settlement on all the grounds as set forth in question 11.

Q. 13. (*i*) We advocate the total abolition of the zamindari system and cancellation of the Permanent Settlement and we do not advocate the substitution of the system of temporary settlement in its place and we advocate (*iii*) the imposition of tax on agricultural income to be realised through Union Boards.

Grounds:—Permanent Settlement and zamindari system have totally crippled the finances of the country for ever. It has given the unearned increment to the zamindars which rightly ought to have gone to the State and the people.

Temporary settlement would be harassing and detrimental to the interest of the country.

Realisation of tax on agricultural lands would be more easy and it would be alterable according to the demands of the State.

Q. 14. The zamindars should get no compensation. If it is thought that some compensation to the zamindars should be given, it should be 5 per cent. of the allowance made to them, at the time of Permanent Settlement.

Q. 15. If compensation be paid, it should be paid in debenture or bond carrying interest at 1 per cent. and redeemable within 20 years or so.

Q. 16. It would remove some idle, ease-loving and oppressive people from the society, and help them in becoming active members of the society.

Q. 17. All middle tenures between zamindars and raiyats should also be abolished and raiyats should come directly under Government. It is expected that this would lead to some advantage.

Q. 19. Yes, but the realisation of tax on land should be made through Union Boards.

Q. 20. Yes. It has increased the rent of the tenants.

Q. 21. It will increase the provincial revenue but would increase the burden of debt of the province. It will also give an impetus to the people to stand on their personal merit.

Q. 22. The zamindars and tenure-holders should be allowed to keep their homesteads and so much of khas lands as they will be in a position to cultivate themselves, but they will have to pay rent or tax for the land in their possession.

Q. 23. It is not the creation of the British legislation but it had existed from earlier periods.

Q. 24. We subscribe to this view. The word "proprietor" connotes "ownership."

Q. 25. We are in favour of confining the occupancy right to the tenants actually cultivating the soil.

Q. 26. No protection should be given to the non-cultivating people.

Q. 27. It was not the intention of the Permanent Settlement to give protection to all classes of tenants including non-agriculturists. We are not in favour of giving occupancy rights to non-agricultural tenants.

Q. 28. For economic, commercial and industrial development of the country, it is necessary to give same protection to agricultural land, converted to use for non-agricultural purposes, but the State should levy an additional tax for such converted holdings and the tax should be assessed according to the annual value of such holding.

Q. 29 & 30. The number of bargadars and others of the kind is on the increase and due to the factors mentioned in question 30 and to the fact that during the period of economic depression, tenants' lands were sold in auction in the Courts of Justice for arrears of rent and other dues.

Q. 31. Majority of bargadars also hold land in raiyati and under-raiyati rights.

Q. 32. Yes, the occupancy and other rights should be extended to bargadars.

Q. 33. Barga system is not economically sound, conferring of occupancy right on bargadars would prevent its extension.

Q. 34. Conferring of occupancy right on bargadars will lead to better cultivation of the land and greater produce and will give bargadars security in the land they cultivate. Zamindars and others will not be in a position to cultivate the so-called khas lands themselves. Hence, there will be no unemployment amongst the bargadars.

Q. 35. One-fourth of the produce will be a fair proportion. A maximum limit should be fixed by law.

Q. 36. Casual labourers engaged on agricultural works are paid daily wages, annas 4 to annas 5 per day. If they are engaged for a year they are paid Rs. 40 to Rs. 60 a year. Over and above the wages, they are also supplied with food. Their position is inferior to that of bargadars.

Q. 37. Yes. Yes. Yes. Yes. This is quite practicable.

Q. 38. 6 to 8 acres should be the size of an economic holding.

Q. 39. Yes. Yes.

Q. 40. Yes. Consolidation of holding is desirable and practicable under co-operative system of farming.

Q. 41. Yes.

Q. 42. Certainly undesirable.

The limit should be an economic holding. By legislation.

Q. 43. Co-parcenary is not detrimental to good cultivation.

Q. 45. Yes.

Q. 46. No.

Q. 47. The framers of the Permanent Settlement at the time of making the Government revenue fixed and unalterable, expected from the zamindars almost a similar permanency and fixity of rent both in the case of tenants then existing as well as in the case of new settlement.

The declaration itself and the Despatch of the Government.

Q. 48. The view is supported by grounds (*a*), (*b*), (*d*) and (*e*).

Q. 49. Yes.

Rents should be reduced to the level existing at the time of the Permanent Settlement.

Yes—there are materials in the Collectorate of every district for determining the previous pargana rate.

Q. 50. It was a mistake.

Q. 51. By legislation.

Q. 52. If the Permanent Settlement continue then the pargana rates existing in 1793 should be the principle for determining the rate of rent.

If the Permanent Settlement is abolished the principle of determining the fair and equitable rent should be a certain percentage of the economic rent.

Q. 53. None of the above or any principle is followed:—The exacting power of the zamindars and the helpless condition of the tenants are the only factors for determination of rent.

In practice rates differ for lands of similar value and in almost every village and estate.

Q. 54. Yes. They do.

Tenancy legislation made from time to time.

Q. 55. No.

A tax on land on the basis of economic rent should be assessed on lands for which a new record-of-rights will be necessary.

Q. 57. It should be alterable according to the needs of the State from time to time. 25 years.

Q. 58. No advantage in the substitution.

Q. 59. There is no provision for reduction of rent on the ground that the rent paid by a particular tenant is above the prevailing rate.

Q. 60. Yes. The landlord should not get anything.

Q. 61. No. The landlord should not get any increment for rise in the price of crops.

Q. 62. No.

Q. 63. Yes. Because it is not possible for the poor tenants to get any relief through this laborious and expensive process.

Yes, it is apprehended in cent. per cent. cases.

Q. 64. There should be a provision in law to reduce the high contractual rents and for limiting rents for new settlements.

Q. 67. Yes, it is so.

Q. 68. All the Muktagacha zamindars, Gangatia, Atharabari, Dhala zamindars and Dhanbai zamindars.

Q. 69. Yes, it was a mistake on the part of the Government.

The tenants have got legitimate grievances against this.

Q. 72. The following table will show the cost and produce per acre of the crops noted against:—

Crop.	Cost of cultivation.	Yield.
	Rs.	Mds.
1. Jute	51	15
2. Paddy	24	18
3. Sugarcane	200	50

Q. 73. The productivity of the soil is gradually decreasing for the fertilising elements in the soil are being eaten up by crops.

No. Nothing has been done by the Government.

Q. 74. No advantage has yet been taken of the provisions of these Acts:—

Reasons are:—(*a*) The provisions of these Acts have not been circulated to the agriculturists.

(*b*) The process contemplated by these Acts require much time and his highly expensive.

(*c*) Unwillingness on the part of the Government to give effect to those provisions.

Q. 76. Yes, the Government does realise salami. Government does not invest any money to improve the lands of the khas mahal tenants.

Q. 77. Complete overhauling of the land system and change of the Government policy towards the raiyat is immediately necessary.

Q. 81. Yes. 25/30 per cent. of the populaton is surplus in respect of the agricultural needs of the country.

Q. 82. Besides means suggested there should be control over birth and provision should also be made for recruitment in the Military Services from this country as well as in the Armed Branch of the Police force.

Q. 83. No efficient organisation either Government or private exists for the improvement of agricultural credit.

There should be rural banks financed and controlled by the Government to supply loans at time of need.

Q. 84. More than 25 per cent. of the gross produce of the agriculturists goes to the mahajans as interest alone.

By establishing rural banks as mentioned above to give loans on nominal interest.

Q. 85. Co-operative societies have totally failed to tackle the credit problem of the agriculturists.

The interest realised by the co-operative societies is high.

No. It has not done any benefit. Because of the ill-management and want of proper propaganda by the employees to inculcate the benefits of the system in the people.

Q. 86. The Debt Settlement Boards have only touched the fringe of the agricultural debts.

The Act has got various defects. Some of the main defects are enumerated below:—

(*a*) Cumbrous and expensive procedure.

(*b*) The ordinary Boards should be vested with powers of compulsory settlement.

Q. 87. Yes.

Q. 88. They are not functioning well.

The provisions of granting loans are so very cumbrous and expensive that very few people can get the benefit of this system.

The rules and bye-laws should be modified for easy investments.

Q. 89. The machinery provided for realisation of rent through Civil Court is not harassing and cumbrous to the landlords. It is expensive to the tenants.

Q. 90. The recovery of rents through the P. D. R. Act is highly objectionable and harassing.

Oral Evidence of the representatives of the Mymensingh Anjuman-I-Islamia, on 23rd March 1939.

PRESENT ON BEHALF OF THE ANJUMAN-I-ISLAMIA:

(1) Khan Sahib Nurul Amin.

(2) Maulvi Abdul Monem Khan.

(3) Maulvi Samad Ali.

Their evidence was as follows:—

In reply to Chairman.—We have revised our opinion and we say no compensation at all should be paid to zamindars or to tenure-holders; because they have already made a great deal of profit. We

would not differentiate between old established zamindaris and newly purchased ones, because it will be extremely difficult to know where to draw the line. Tenureholders and zamindars do not constitute a very large proportion of the population, let us say 2 per cent. They should by now have amassed very much money. If they have not, it is their own fault, and we cannot sympathise with them if they are dispossessed without compensation.

Rents paid should bear a proportion to the produce of the land, let us say 1/5th or 1/6th. We realise that in many parts rents are lower than in others, and they can very well stand enhancement. Other rents which are higher should be reduced to this level.

In reply to Khan Bahadur Muazzamuddin Hosain.—In reference to question 3, we know there is a large area of bhil land in our district in Kishoreganj subdivision, Bajitpur and Astagram and other places, an area of approximately 200 square miles and this is subject to inundation. Zamindars have done nothing about it. Some land in Astagram was reclaimed by tenants without the assistance of zamindars or Government. Zamindars have not reduced rents of tenants on account of these floods and so many have become landless labourers. As regards the tax on land, it will be a maximum of 1/5th or 1/6th the produce and will be fixed for certain period and liable to be revised after 5 or 6 years. The actual rate will be assessed in accordance with the demands of the State. This tax will include the Union Board rates, cesses, etc. With regard to the figures given by Government for the yield of land, we think these are too high. In question 45 we think that ¼th of the produce of the land should be the share of him who sublets to bargadars. We do not consider expropriation to be a communistic idea. We advocate it on the grounds of equity. Zamindars have expropriated the tenants in the past and they made a great profit out of it. So we do not think they can justly complain if the same treatment is meted out to them now. We do not think that granting of occupancy rights to bargadars will mean that they will be evicted, because we will make legislation forbidding land owners from keeping their lands fallow and they would only have the alternative of cultivation by hired labour.

We do not recommend any change in the Muslim law of inheritance as a means to create economic holdings. We consider 6 acres to constitute an economic holding. Any one possessing six acres and all non-agriculturalists will be forbidden by legislation to purchase land. We think that the pressure of population would keep up the price of land.

The cost of preparation of record-of-rights should be borne by the State. The chief cause of indebtedness is the high rate of interest

amounting sometimes to 37½ per cent. which is charged by money-lenders. Neither the Government nor the zamindars have taken any steps to put a stop to this. We do not recommend investing Munsifs with powers under the Bengal Agricultural Debtors Act. The procedure would be expensive, nor do we recommend the employment of revenue officers. We have noticed that the discretion given to Munsifs by the Usurious Loans Act is not being exercised. We think that the present Boards' staff as now with honorary workers will function well if they are given more powers. We do not think that the Public Demands Recovery Act will be harassing if safeguards are given against oppression. This procedure is cheaper than the Munsif Courts.

In reply to Dr. Mookerji.—We agree that the zamindars are owners of their estates. We know that the Government of India Act forbids expropriation. If we intend to expropriate zamindars we would not exempt Calcutta property, and we would provide an outlet for agricultural population by employment in the Army, and we advocate popularization of birth control by education.

In reply to Khan Bahadur Abdul Momin.—We do not think that the method we advocate for assessment of agricultural tax will be harassing, though we do admit that it will be complicated. We would make the minimum income taxable under our scheme Rs. 300. Union Boards now realize nearly 100 per cent. of their taxes and would easily be able to realize our agricultural tax. We would not object to professional men acquiring land as long as they cultivate it with their own hands or by hired labour. Raiyats who sublet to bargadars will lose their rights, and bargadars will pay direct to the State. We do not think that the restriction of the right of transfer to non-agriculturists will infringe the proprietary rights of raiyats, nor do we think that this restriction will be unpopular.

We would like to stop fragmentation of holdings by inducing heirs to live jointly, but we would not interfere by legislation. Our idea is economic holdings may be created by making use of co-operation in agriculture.

In reply to Mr. B. K. Roy Choudhury.—The bhil we mentioned before fell out of cultivation over 20 years ago on account of flooding and water hyacinth. We think people are willing to work voluntarily. By clearing this water hyacinth much success was achieved in Brahmanbaria. We base our criticism on zamindars' action or failure to take action in such matters. As a matter of fact 25 or 30 years ago there was a great jungle which held up the flood water and prevented the passage of water hyacinth. No attempt was made by landlords to prevent tenants from cutting this jungle down. We realise however that some of the causes of flooding in general arise outside Bengal.

At the time of the Permanent Settlement tenants were the owners of land. If the Commission wishes we will give references from books later. We agree that bargadars are not now tenants and have no rights but we wish to alter that and give them tenancy rights. Invalids, minors and widows will be prevented from employing bargadars. They may employ hired labourers. They will be safe in relying upon these for efficient and honest cultivation of their land.

In reply to question sent by the Maharajadhiraja Bahadur of Burdwan.—We agree that the increase in the rent roll of Bengal is partly due to the increase in the area under cultivation. If necessary we shall abolish temporary settlements and khas mahal estates as well. We are quite aware that under our system many cultivators would escape the payment of income-tax.

In reply to Khan Bahadur Hashem Ali Khan.—In our minimum taxable income of Rs. 300 we would include also all sources of income. We would not tax those with smaller incomes under any circumstances but would meet the State demand by increasing the taxes on higher incomes. We would not agree with power of assessment being given to Union Boards but would employ official agencies. We think that the cost of administration and management under our system would be less than it is at present under the khas mahal system.

There are many cases in our district as also in Bakarganj in which rent suits contain prayers for enhanced rent. Sometimes the enhancement prayed for is as much as 8 annas in the rupee. Extra court-fees are attached in consideration of this prayer for enhancement. We have never heard of a suit for reduction of rent. This is because no tenant is bold enough to fight with his zamindar. We do not think that a zamindar has a right to demand an increase of rent either for a rise in prices or for an increase in the fertility of the land. We do not think that the zemindars have ceased to realise abwabs, and tahuri amounting sometimes to 4 annas in the rupee is demanded before any rent receipt is issued. Payments are credited first to abwabs and after that to the legal demand of rent. We agree that landlords let rents fall into arrears for four years. Tenants who cannot pay one actual instalment will manifestly find it impossible to pay four instalments at the same time. We think it expedient that zamindars should realise their rents every year.

In reply to Sir Frederic Sachse.—Raiyats who have sublet will lose their rights and get no compensation. In calculating the taxable produce of the land the cost of seeds and of the agriculturists's own labour will be deducted from the produce before calculating the proportion of one-fifth or less however much it may be or the minimum income of Rs. 300.

The jungle we referred to in connection with the Astagram bhil is composed not of real trees but a kind of reed which grows in water. It is because these have been cut that this land has gone out of cultivation.

If holdings are consolidated much land now covered by ails will then be usable for cultivation. The tenants would also derive an advantage therefrom in that they would not have to walk so far to their land.

In reply to Mr. Carter.—The rights we would give to bargadars would not be transferable in any way. We said in question 47 that rents of raiyats inducted on the land were intended to be fixed. We infer this from the Regulation itself as well as from Harington's report. We cannot at the moment give any details of our own pargana rates. They are available in Collector's office.

We agree that it would be possible that families holding incomes of more than Rs. 300 might evade payment of income-tax by partition of their property, but because we find they do not do this when union rate has to be assessed we do not think that very many of them would do this in order to escape income-tax, the incidence of which will, we admit, be much higher.

Reply by the Anjuman Ettefaque-i-Islam, Nadia.

Preamble.

In the pre-East India Company Period the land system in Bengal was based upon the relationship between the State represented by the King and tenants, i.e., the cultivators of the soil. In the survey made by Akbar the Great the quota of payment by the actual cultivator of the soil was fixed at a certain percentage of the produce and moreover by the ancient law and custom of the land the tenants used to pay to the State for land at a fixed rate, which came to be known as the pargana rate, and the State dues from the land were realised from the tenants on the basis of this rate. For purposes of collection of the State demand from the tenants on account of land, collectors were appointed by the Sovereign authority and these men had no right except to receive a certain share out of the State dues realised. Before the Decennial Settlement this share of the collectors represented only 1/11th of the realizations. These collectors, however, had no right to realize more than the pargana rate. It means, therefore, that so-called zamindars who now claim to be in position of those middlemen of the pre-British period were merely collectors of rent having no powers to enhance the rent, or eject a tenant, etc. When the East India Company took over the Dewani of Bengal and when subsequently, they were just trying to consolidate their power in India they were in need of putting the public revenue on a fixed and permanent basis but for political reasons they did not deem it expedient to come to direct contact with the cultivators of the soil. It was, however, proposed by some eminent men of those days that the interests of the tenants should at first be safeguarded and before settlement be made permanently for due and punctual realisation of the public demand from land, rights, privileges and immunities of tenants should be permanently declared and this should be a condition precedent. But unfortunately this was not to be. Mainly for its own safety and immediate gain the East India Company came to a settlement not with a vast mass of tenantry but with those who were mere collectors and declared them to be actual proprietors of the soil, in return of a fixed sum of money called revenue expressing a pious wish that they should improve the land and deal with the tenants with moderation and generosity.

In making the collectors as actual proprietors of land the tenants were never consulted. Since then in all the land laws that were passed the interests of the zamindars have not only been scrupulously maintained but also have been amplified, enlarged and extended to the gradual curtailment and ultimately to the extinction of tenants' rights

and privileges. There is absolutely no reason, therefore, that the tenants, i.e., the actual cultivators of the soil, who were never a party to such agreement should be expected to be bound by it.

Since the creation of Permanent Settlement a study of the workings of the zamindars of Bengal will show that they were more bent upon giving away their lands in patni settlement, which meant shifting of their responsibility to the shoulders of others. The system of patni settlement actually gave the zamindars enough latitude to do nothing but to have something for themselves. It is apparent that a much larger area of land is now under cultivation in comparison with the area cultivated in 1793, but it is not due to any improvement made by or at the instance of the zamindars. It will be difficult for any zamindar in Bengal to prove that they had out of their own income taken any measure for irrigation purposes or even for clearance of jungles or waste lands. There may by some zamindars who are supposed to have given donations for public and charitable purposes but these gifts did not generate from a sense of duty; neither they were outcome of sympathy towards the tenants but represented only a luxurious state of mind.

Any economic system created for the greatest good of the greatest number at a time when the Government was not by the people and for the people cannot stand when the latter system of the Government steps in. We are now heading towards a democracy which means rule by the people for the people.

The fabric of such a constitution should certainly be different from the previous one. For the regeneration of the country as a whole the contract between the East India Company and the zamindars who subsisted so long must now be replaced by a new contract which will be based on the principle of largest good for the largest number. Under the new regime that body of people who were so long favoured should try to adapt themselves as best as they can.

Q. 1. No.

Proprietary right to the soil is the exclusive ancient right of tenants. The Sovereign authority or more correctly the Government realised something from tenants in the form of rents of land as a contribution to the State Exchequer for protection of life and property and for administrative purposes. Before Decennial Settlement tenants enjoyed many valuable rights. In this view of the rights of the tenants, the Permanent Settlement made clear encroachments on the proprietary and other valuable rights of the tenants.

Q. 2. No.

Q. 3. No part at all.

Entirely. Woeful lack of enlightened self-interest.

Q. 4. Before Permanent Settlement they were mere collectors of revenue and certainly never were they proprietors.

Q. 5. No; rather it will be restoration of the most valued and ancient rights of the tenants and vindication of bare justice.

Yes. Certainly.

Reasons given in the preamble in a nutshell.

Q. 6. Not by a bit.

(*i*), (*ii*) Yes.

(*iii*) Nil.

Q. 7. (*i*) Nil.

(*ii*), (*iii*) Yes.

Q. 8. No, not at all.

Far from any moderation and generous treatment, systematic exploitation and exactions in various ways—legal and illegal. Entirely and in all manners.

Q. 9. Not at all.

All-round improvement of agriculture—the main source of country's wealth—by construction of irrigation works, etc.

That is only one of the reasons.

Q. 10. No. It was primarily for political purposes of the then ruling power.

No.

Yes, undoubtedly.

Q. 11. Yes, fully.

Q. 12. Yes, on all the above grounds.

Q. 13. Yes.

Q. 14. No compensation.

Q. 16. Temporary difficulties to a few rich men which they will be able to tide over within a few years.

Q. 17. Yes, at a nominal price or no price if practicable.

Q. 18. Total cost for existing and additional machinery would not exceed 25 per cent. of the gross realisations.

Q. 19. Yes; under the new regime the morale of the public officers is bound to change for the better. After adjustment of rights the disadvantages of the khas mahals as now complained of will be things of the past.

Q. 20. Yes.

Increasing harassment. Enhancement of rents to the point of ruination of tenants and levying of abwabs in various forms and kinds.

Q. 21. The rich and upper middle class may suffer a bit for a time but as they have other resources to fall back upon they shall be able to shift for themselves.

Q. 22. Excepting that portion of the homestead-land which may be absolutely necessary, all lands of theirs should be taken over by the State.

Q. 23. (1) No; (2) existing from earlier period.

Q. 24. Yes, certainly.

A proprietor is a tenant who has exclusive right to the soil subject to payment of a certain fixed quota to the State.

Q. 25. Occupancy right to the tenant whose chief source of livelihood is cultivation and who either actually cultivates the land or keeps in touch with the actual cultivation of the soil.

Q. 26. Both the groups should be given option to resume the lands sublet without any compensation if permissible under the existing law, or on payment of some compensation if necessary, within a specified time; failing which the sub-tenants will be deemed to be occupancy tenants and they will have to pay a lump sum to their landlords once for all and thenceforth hold directly under Government.

Q. 27. It was not thought of perhaps.

Q. 28. Yes; they should enjoy protection against eviction at the sweet will of the landlord.

Additional premium say 20 per cent. on the present letting value.

Q. 30. To a considerable extent; moreover increasing demand of land by increased population both amongst raiyats, under-raiyats and comparatively well-off day-labourers.

Q. 31. (1) from 10 to 15 bighas, (2) say 50 per cent. of them.

Q. 32. No, except in certain cases.

Q. 33. Not sound at all.

By declaring it to be illegal.

Q. 34. Those bargadars who have been cultivating khas lands of zamindars will be by law declared as raiyats and will be presumed to have acquired occupancy rights therein until the contrary is shown and in cases where the contrary is shown the particular raiyat will be required to pay four times the annual rent settled for the land as selami to the State.

Q. 35. (1) 20 per cent. of the produce: (2) 25 per cent. of the produce.

Q. 36. Economic position of bargadars and under-raiyats is slightly better than that of agricultural labourers.

Q. 37. Yes, to a certain extent.

Yes, it is prejudicial.

Yes.

Yes it is practicable.

Q. 38. 20 bighas (standard).

Q. 39. Yes.

Yes, true.

Q. 40. Laws of inheritance may be modified to a certain extent by legislation.

Q. 41. Yes, by any of the means.

Q. 42. (1) Yes.

(2) 20 bighas for a family of 5 persons.

(3) Putting restrictive clauses to transfers.

Q. 43. Yes.

No.

Q. 44. By legislation.

Q. 45. Yes.

Q. 46. No, never and not all.

Q. 47. Yes.

Not only on contemporaneous documents and correspondences, etc., but also on those previous and subsequent to the Permanent Settlement Regulations.

Q. 48. Yes. (Enumerate at the time of oral examination.)

Q. 49. (1) Yes.

(2) Pargana rate may be ascertained approximately by reference to old records.

(3) Very difficult to distinguish though.

(4) Reduction of rents as far as practicable.

Q. 50. Yes, partially at least as the landlords and not the State allowed to appropriate the enhanced rent in violation of the spirit and tenor of the Permanent and Decennial Settlement Regulations.

Q. 51. Yes.

By reduction of rents as far as permissible in the present circumstances.

Q. 52. Replies will be given at the time of oral examination.

Q. 53. Yes.

Q. 54. Yes.

Ignorance, illiteracy and poverty of tenants placed the tenants under serious disadvantages and led to contracts extremely unfair.

Q. 55. Yes.

Q. 56. 20 per cent. of the nett produce or 10 per cent. of the gross produce.

Q. 57. Alterable according to the money value of the produce.

20 years.

Q. 58. (*a*) There may be some advantage.

(*b*) Yes, it may.

Q. 59. (1) Enhancement on the grounds other than improvement effected by or at the expense of the landlord should not at all have been allowed to the landlord.

(2) Presumption that the existing rent is fair and equitable is wrong.

Q. 60. Yes.

The State and not the landlord should get a share of such benefit.

Q. 61. No; but the State must get the benefit of such enhancement and not the landlords.

Q. 62. No.

Q. 64. Yes.

Q. 65. Shall enumerate them during oral examination.

Q. 66. Yes, many.

Yes, they had to dispose of many cases and hence could not and did not pay sufficient attention to each case.

Q. 67. Yes.

Q. 68. Yes, shall disclose at the time of oral examination.

Q. 69. Yes.

Q. 72. Jute—12 maunds—Rs. 60; Paddy—24 maunds—Rs. 36; Sugarcane—30 maunds—Rs. 120.

Q. 73. Actual experience.

Continuous and predatory cultivation without allowing opportunity for recoupment and non-application of manures and absence of good seeds. Government has done nothing to improve the fertility of the soil. Improved seeds of jute in a very meagre quantity supplied in some years.

Q. 74. Stringency of the provisions—apathy of the public officers—ignorance of the tenants and their crushing poverty.

Q. 77. Systematic and well-devised plans have not yet been undertaken for the economic betterment and welfare of the cultivators and the raiyats. Land system of Bengal has looked more to the interests of the landlords than to those of the tenants.

Q. 78. (*a*) Rs. 90 (gross); (*b*) Nil.

20 per cent.

Q. 79. No.

Yes.

Q. 80. Besides these and above all things primary elementary education must be made free and compulsory for the raiyats.

Q. 81. Yes.

50 per cent.

Q. 82. Large, medium-sized and small industries in towns and also cottage industries extensively in villages and towns.

Q. 83. Rural banks for short-term and long-term loans should be started by Government all over the province. At present no efficient and adequate organisation exists.

Q. 84. Yes, more than that.

Establishment of Government rural banks and legislation prohibiting exorbitant rates of interest.

Q. 85. Failed.

Yes.

No.

Spirit of co-operation was not instilled into the minds of the rural people: Revitalisation of co-operative movement necessary.

Say 10 to 15 per cent.

Not a very appreciable percentage.

Q. 86. Effect of Debt Settlement Boards is shrinkage of rural credit. That is a mere temporary palliative and is likely to prove far worse in its effects in near future.

Q. 87. Yes; must and at once.

Q. 88. Not efficiently.

Q. 90. Yes; very much harassing and ultimately too costly. Rent should be realised through Civil Courts under the Bengal Tenancy Act with suitable modifications in its provisions for speedy realisation of rent, if deemed necessary.

Q. 91. Yes.

Q. 92. Shall give details during oral examination.

Q. 93. Tenant has got only a partial relief. For accrual of better economic effect further amendments benefiting the tenants must be undertaken soon.

Transfer fees were mere windfalls to which landlords are not entitled.

Political Parties.

Reply by the Bakarganj District Krishak Proja Party.

Q. 1. The description is not exhaustive. The Regulation I of 1793 reserves to the Governor General in Council: (II) "to enact such Regulations as he may think necessary for protection and welfare of the defendent talukdars, raiyats and other cultivators of the soil".....by s. 8, clause I of the Regulation.

Q. 2. Partially correct. The zamindars must respect the existing rights and usages. But he has full powers to spend money to reclaim waste and jungle lands and choose his own tenants for doing the same for the economic interest of his estate, but cannot override the landlords.

Q. 3. Yes. The zamindars have failed to perform their duties imposed upon them by the Permanent Settlement but carried on trades on land by the investment of their capital.

Q. 4. Yes. It is correct. The zamindars in the British rule have become perpetual proprietors to the detriment of the interests of the tillers of the soil. The zamindars were never the actual proprietors before the Permanent Settlement.

Q. 5. The tillers, the actual owners of the soil, cannot be bound by the pledge between the Government and the zamindars to which they were not parties. Moreover, the zamindars have not fulfilled their obligations imposed upon them by the Permanent Settlement. They have as a matter of fact become capitalists, mostly absentee landlords, now disqualified proprietors, ruining altogether the prosperity of the people.

Q. 6. The expectation has not been fulfilled at all. The large increase in the area brought under cultivation is due to the labour and enterprise of tenants only, but not of zamindars. No initiative is known to have been taken by the zamindars nor any pecuniary or other assistance is given by the zamindars.

Q. 7. The increase of the rent roll of the permanently settled areas is now 16 crores of rupees, all due to the industry and hard labour and reclamation of waste and jungle lands by the efforts of the tenants alone. It is a patent fact that over and above this 16 crores of rupees, the actual rent-outturn of Bengal, the zamindars realise 4½ crores of rupees as abwabs. Mr. J. C. Jack the late Settlement Officer of Bengal gives a correct estimate of illegal exactions from the tenants by the zamindars of Bengal at the rate of not less than 4 annas per rupee. In the district of Bakarganj Mr. Jack says that 54 lakhs

of rupees is being collected as abwabs over and above the actual collection of 20 lakhs of rupees from the tenants by zamindars. To check this such exaction should be brought under purview of the Penal Code as cognizable offence. The oppression of the tenants in the shape of illegal exactions of abwabs is going on as before.

Q. 8. No moderation, no equity and no generous treatment shewn to the tenants by the zamindars as required by the Permanent Settlement.

Q. 9. In no cases the zamindars are known to have improved their estates by industry and enterprise. The ancient zamindars, the creatures of the Permanent Settlement are now lost, and their lost zamindaris have been purchased by the moneylenders, bankers, merchants and capitalists, etc., of the big cities of Calcutta and Dacca, etc., mostly absentee landlords, now disqualified proprietors, killing the wealth and prosperity of the people by drainage of money. Absenteeism, the after effect of the Permanent Settlement is a curse to the nation.

Q. 10. No. It is never for the interest of the country—rather the contrary. This pernicious system has been engrafted from the long-lost Feudalism of mediæval Europe not suited to the spirit and genius of Asia. It is most unscientific, archaic and undemocratic. The people of Bengal are now tired of this obnoxious, exotic Feudalism and their feudal demands in the shape of abwabs. The sooner the Permanent Settlement is gone the better for the suffering, hungry, dumb millions of population of Bengal.

Q. 11. The tenants of Madras, Bombay, Russia and Italy, where there is no Permanent Settlement are far more happy and contented. No more traffic on lands should be allowed.

Q. 12. Yes. We advocate the abolition of the Permanent Settlement on the grounds stated above and below.

Q. 13. We advocate the abolition of the Permanent Settlement along with the rent-restrictive legislation in respect of assessment, enhancement of rents and reduction of high rents fixing the maximum rate of rent, at Rs. 3 per acre, a scientific and lawful rent prevalent all over Bengal, (One-eighth of the produce of the land) adopting reduction of high rents. The deficit in revenue, if any, will have to be made up by the imposition of a tax on the agricultural income. We wholly disapprove of the substitution of the system of the temporary settlements in the place of Permanent Settlement. We advocate the

transference of permanency from the landlords to the tenants, real owners of the soil.

No. 14. No compensation to the zamindars.

Q. 15. Does not arise.

Q. 16. System of the nationalisation of property and wealth of the country based on equal distribution on the co-operative principles will be most salutary as in Russia, Germany, etc.

Q. 17. Yes. The answers to questions 14 to 16 should be read together with this. The raiyats would have no objection to come under the nationalised State based on the democratic system of equal distribution.

Q. 18. No additional machinery would be required. The present machinery will be quite sufficient for the purpose.

Q. 19. Yes. Tenants are willing to come under the nationalised State and pay rent to it direct, provided that permanency of raiyats to lands is transferred from landlords to tenants as in Bombay and Madras and high rents are reduced by a way of rent-restrictive legislation in respect of assessment, enhancement and reduction of rent, fixing the maximum rate of rent at Rs. 3 per acre as mentioned above. The khas mahal tenants are far worse than the tenants under the zamindars, all due to rack-renting in all heavily rented areas of khas mahals and also to the stringent pressure of the tyrannical certificate procedure of collection of khas mahal arrears of rents in the most rack-rented areas of khas mahals. These tyrannies will altogether disappear when the nationalised state will be ushered in all over Bengal.

Q. 20. Subinfeudation of permanent tenures under the zamindars are off-shoots and after effects of the Permanent Settlement.

Q. 21. All property must be a state property based on equal distribution on co-operative basis as in Russia and Germany, etc. This arrangement of property and wealth will enhance the prosperity of the people. The present Bengal is the most backward province of all provinces in commerce, trade, industry, etc., owing to the pernicious system of permanent settlement.

Q. 22. Zamindars and tenureholders will remain in possession of their homestead but will be allowed to retain their khas lands that

will be compatible with the means of their living based on the principle of equal distribution.

Q. 23. The present occupancy right of Bengal is the creation of the Permanent Settlement, British legislation in India. No such rights existed in the Muslim and Hindu reigns in India. Tillers of the soil were actual proprietors of lands before the British rule in India.

Q. 24. We subscribe to this view. People pay rents to the State as a State demand for the protection of their person, property, health, education and for the defence of the realm and for nothing. Traffic in and commercialisation of lands should not be allowed by any civilised State. The word "proprietor" means tillers of the soil, real owners of the lands of the country.

Q. 25. We advocate the just land system of continuing proprietary right to the tenant actually cultivating the soils.

Q. 26. The actual proprietors of lands, i.e., cultivators may cultivate their own lands or may sublet them as they like partly or entirely having permanent unfetterred rights to lands.

Q. 27. The Permanent Settlement always favours trade on lands killing agriculturists by giving lands to non-agriculturists, viz., moneylenders, bankers, traders, merchants, capitalists, etc. We never favour of giving occupancy rights to non-agriculturists.

Q. 31. Majority of bargadars hold land in occupancy right.

Q. 32. This question does not arise as in our opinion there is no intermediate right between the tillers of the soil and the State. For the status of the tillers, *vide* answer to question 24.

Q. 33. No. The land is to be enjoyed on rent system. Extension of barga system is to be prevented by legislation, all the raiyats should be placed on the same status.

Q. 34. Yes. The zamindars and other capitalists will be actually in possession of khas lands and the bargadars will be converted into landless day-labourer.

Q. 35. Question does not arise. Proportion of the money value for it must be so fixed that it may be on a par with the rate of rent payable in cash. To develop a healthy form of produce-sharing,

tenants should be prevented from eviction and assured of an equitable share not exceeding ½ the share from resulting from their land by means of their own labour and capital.

Q. 36. The economic position of the bargadars is worse than that of the under-raiyats. The labourers are paid certain share of the produce from the share of the bargadars as the landlord is to be paid the produce in proportion to the outturn.

Q. 37. Yes. By the unrestricted right of transfer given by the Acts of 1929 and by further facility given by Act 1938 withdrawing limitations prescribed in that Act. Considerable areas of raiyati lands have been passing out of the hands of the agriculturist to the hands of the non-agriculturists with such rapidity that there is reason for apprehension that unless the frame work of Bengal Tenancy Act be not remodelled very soon, the agriculturists, the backbone of the country, who are the producer of wealth and prosperity, will be converted into landless labourers as in feudal age in course of a few years.

Q. 39 & 40. Yes. Restrictive measures should be taken on the principle of equal distribution and co-operative system.

Q. 42. Accumulation of wealth and large areas of lands in one particular hand is not desirable as it is opposed to the principle of equal distribution.

Q. 43. No.

Q. 44. *Vide* answer to 43. This question does not arise.

Q. 45. No compulsion by legislation is now necessary. The present law, Bengal Tenancy Act, is sufficient for the purpose.

Q. 46. Enhancement of the rate of rent was contemplated in the Permanent Settlement allowing the landlords to indulge in the obnoxious trade on lands resulting in the present capitalism. By these inequitous arrangements of the Permanent Settlement major portions of the districts of Bengal have now become the most rack-rented areas.

Q. 47. Yes. Our opinion is based on the fact that the Permanent Settlement was concluded without undertaking a complete and accurate survey of the lands in the province, of their value and produce, of the state and extent of cultivation, or the nature of the prevalent tenures, of the rights and interests of the Government and

the people. It was a necessity for the security of the revenue. It was only a business transaction carried on by the East India Company on the lines of trade.

Q. 48. No such contemplation of giving relief to those tenancies which existed at the time of the Permanent Settlement but the beneficial provisions safeguarded by the fixity of rent are later developments by gradual legislation.

Q. 49. No provisions or statutory safeguards as to the reduction of heavy rents in the Permanent Settlement. In view of the rack-renting now prevalent in all heavily rented areas of Bengal one of the most immediate needs of the present moment is the rent restrictive legislation in respect of assessment, enhancement and reduction of high rent fixing the maximum rate of rent at Rs. 3 per acre, and one eighth of the produce of the land, a lawful, scientific rent now prevalent in Bengal.

Q. 50. It is a serious mistake committed by the authors of the Permanent Settlement.

Q. 51. Yes. It was the intention of the framers of the Permanent Settlement to assess or enhance on the pargana rates. The effect may be given by making provisions in the Bengal Tenancy Act.

Q. 52. The principal of produce-rent as in vogue in Hindu and Moslem reign in India should be at once introduced, i.e., 1/8th of the assets of the land to be charged as a State demand after meeting the cost of cultivation and labour per yoke by a cultivator. According to the Hindu system the King's share as in Manu was 1/8th to 1/12th, in later times 1/6th. In the Qoranic Shariat of Islam it is an established principle that raiyats, viz., the tillers of the soils, should pay to the State 1/10th of the produce of the land as State demand and not less and this principle of produce rent was in vogue in Muslim rule in India. In the Moghul reign the lump sum rent was being assessed after the principle of produce rent. But in the British rule it has been made a trade transaction. In the rack-rented areas of Bengal if a tenant after meeting the cost of cultivation and labour pays rent to his landlord, there remains practically nothing for his annual consumption and his other family expenses.

Q. 53. No principle of produce rent nor of lump sum rent remains. It has become now the commercialisation of lands, i.e., traders' business as in the regime of the East India Company.

Q. 54. It is our bitter and painful experience in the heavily rented areas of Bakarganj as well as of other districts of Bengal that the poorer weaker tenants have to pay the highest rents.

It is due to the mercenary spirit and jealous devotion to the Government that the rent collectors, viz., Khas Mahal Officers and Settlement Revenue Officers have raised the enhancement of rent to their present culmination.

Q. 55. The maximum rate of rent by way of rent-restrictive legislation at Rs. 3 per acre as answered in the foregoing questions.

Q. 55. One-eighth of the produce of the land after meeting the cost of cultivation, its labour, etc.

Q. 57. The maximum rate of rent must be fixed in perpetuity by legislation.

Q. 58. Income-tax or agricultural tax but the State demand only as in all civilised states.

Q. 59. Present policy of assessment, enhancement and reduction of rent in the Bengal Tenancy Act is most erroneous and unscientific and must be overhauled inasmuch as it is a traders concern promulgated by the East India Company.

Q. 60. There may be assessment of rent in the fluvial lands in proportion to the increase of lands at the rate of the rent of neighbouring and adjoining lands.

Q. 61. Yes. We object to it, on the grounds given above.

Q. 62. In no case we think that enhancement of rent should be given to tenancies which require the whole crop for their consumption.

Q. 63. The present statutory provisions in the Bengal Tenancy Act for reduction are very illusory. We object to this ground of enhancement on principle. No consideration has been as yet given to improvements effected long ago at the raiyats' own expenses of advance rent having been paid long ago in the shape of salami.

Q. 64. There must be the rent-restrictive legislation fixing the maximum rate of rent in respect of high rents, reducing all contractual high rents to the rate of Rs. 3 per acre, which should be only the lawful rate of rent prevalent all over Bengal as answered in the foregoing questions.

Q. 65. The chief defect in the chapter X of Bengal Tenancy Act is want of the rent-restrictive legislation fixing perpetual rate of rent at Rs. 3 per acre as in the case of the zamindars of the Permanent Settlement. The procedure for (*a*) and (*b*) is never justified.

Q. 66. Yes. We know thousands and thousands of cases of unfair enhancements. They are all due to the mercenary spirit and jealous devotion to the Government of the settlement courts and special judges.

Q. 67. Yes, it is true that divisional settlements are usually made with the primary object of the enhancing rent, all due to the mercenary spirit of the Government without seeing to the interests of the downtrodden.

Q. 68. Yes. We know a large number of estates where the enhancements were mostly unfair as in Bakarganj and other districts of Bengal.

Q. 69. Yes, it is a mistake, an unpardonable mistake, committed by the Government in launching revisional settlements in this period of severe economic distress for 9 years since 1929. Tenants have had just and well-founded grievances.

Q. 70. The only reason we find is that there is now no statutory limit in the present Bengal Tenancy Act for the assessment, enhancement and reduction of rent, etc., as there was no statutory limit in exactions of high interests by hard-hearted moneylenders, bankers, traders, capitalists, merchants, etc., in India. All this is due to alien rule and mercenary spirit of rulers.

Q. 71. It is absolutely necessary for the public interests of Bengal that there must be statutory provisions in the Bengal Tenancy Act to the effect that the Government should in all fairness grant remissions of rent, not only in the khas mahal estates but also in the permanently settled estates in case the status of the Permanent Settlement be allowed to remain, giving remissions of revenues on the action of these zamindars for the corresponding remission of the rents of sufferers in the areas where test or gratutious reliefs are opened by the Government of Bengal or by the District Board due to total or partial failure of crops or where famine areas declared by the Government of Bengal.

We advocate no restrictions to the remissions of the revenues and rents of sufferers due to total or partial failure of crops where no test or gratuitous reliefs opened or no famine areas declared. But remissions of revenue or rents should be granted on petitions even by tenants if there is partial or total failure of crops.

It is an undeniable fact that remissions are not given ordinarily in the permanently settled areas and khas mahal areas, reasons being the indifference and want of due considerations by the Government. The existing rules need be improved by statutory provisions in the Bengal Tenancy Act.

But as in our opinion there should not exist two kinds of estates separately, viz., permanently settled zamindari and temporarily settled estates as khas mahal and all estates will have to be merged into one nationalised State, i.e., as the tillers of the soil will come in immediate relation with the State and the consideration of remission will rest with the State only and to give effect to it legislative measure is to be adopted accordingly.

Q. 72. The average yield per acre of different kinds of crops, viz., paddy, jute and sugarcane in the district of Bakarganj are as follows:—

Per acre.	Yield.	Price.
		Rs. a.
Paddy	18 mds. (1· 12)	31 8
Jute	6 mds. (1· 8)	17 8
Sugarcane ..	..	..

Cost of cultivation and labour—

	Rs.
For Paddy	... 17
For Jute	... 22

Q. 73. Yes, productivity is on the decrease due to want of proper manuring and deposit of sand and silt from the rivers and canals. Bakarganj is river district known as network of rivers.

Failure of crops is presently due to floods, usually drought and sometimes excessive rains.

No steps have been taken up till now by the Government towards improvement of the fertility.

Q. 74. The provisions of the Bengal Land Improvement Act, Bengal Sanitary and Agricultural Improvement Act and the Bengal Rural Development Act have not been given effect to nor any improvements of the lands of agriculturists made, due to indifferent attitude of Government.

Q. 75. Very nominal amount is spent for the interest of khas mahals and not so for the interest of the tenants. Lands are being

reclaimed through the tenants and heavy charges imposed in the shape of salami and other kinds eventually along with the assessment and enhancement of heavy rents.

Q. 76. Yes, since 1905 or so in the district of Bakarganj.

No portion of the salami is being spent for the improvement of the land. Salami is realised in the shape of feudal demand.

Q. 77. The inequitable, erroneous rent assessment and enhancement policy of the Government of Bengal is responsible for the uneconomic condition of the raiyats having brought about the total ruin of commerce, industry, trade of the province. These defects will be, in our opinion, cured by the nationalisation of State based on equal distribution of property wealth of the country on the principle of co-operative system.

Q. 78. (*a*) The average income of tenants in a permanently settled area after meeting cost of cultivation, labour of (*vide* answer to question 72) and paying rent, etc., to the landlord, is Rs. 5 per year. In the temporarily settled area condition of the tenants is most horrible, average rate of rent there per acre is not below Rs. 8. So the net income of the tenants under khas mahal is nil. Rather they have to incur heavy debts for their maintenance. It is not uncommon that the tenants in most cases are subjected to cruel oppressions and tyranny by the Khas Mahal Officers and the rent collectors.

(*b*) In certain portion of the district the tenants derive poor income from cocoanuts, betelnuts, etc.

Percentage of cultivating raiyats maintaining themselves and their family from their income is nil. Every family is half-fed being heavily involved in debts.

Q. 79. The present system and organisation of the maintenance of land record is not satisfactory. Statutory provisions should be effected for the entry of the names of the heirs and assignees and other transferees of the tenants on their death, transfers, etc., as the case may be.

Q. 80. (*i*) to (*v*) Approved.

Q. 81. Yes, increase of population is one of the causes of the poverty of the agriculturists. 9 bighas of land, i.e., 3 acres at least are necessary for the subsistance of a man. But as the land is not available, the suggestions given in answer to question 80 together with the establishment of State industries and factories are only means for the increase of income of the cultivating raiyats.

Q. 82. Organisation of State factories and industries.

Q. 83. We advocate the improvement of agricultural credit by establishing rural agricultural banks on co-operative lines.

No such efficient agriculture exists.

Q. 84. Yes, we quite agree to the view. The annual drain by the mahajans can be stopped by the composition of the payment of the debts by the State securing repayment by the State organisation of the co-operative societies as in Madras, Norway, Sweden, etc. The Norway system is considered the best system in the world.

Q. 85. The present co-operative system has proved an utter failure in Bengal. Instead of tackling the audit problem of agriculturists it has increased only the indebtedness of the agriculturists. Such societies have become only the moneylending mahajans and the present system should be overhauled altogether.

Q. 86. The present Act is defective, all urban and rural financial credit and confidence have been lost, causing a dead lock to the money-lending transactions. The Bengal Agricultural Debtors Act must be amended.

Q. 87. Yes, *vide* answer to question 84.

Q. 88. Answer to question 89.

We do not know of any function performed by Land Mortgage Banks.

All banks should be organised on the co-operative principles as answered above.

Q. 89. Yes, it is costly and cumbrous, expensive, unnecessary and harassing to the tenants.

Q. 90. Yes, the Act ought to be repealed altogether and recovery of rents should be through the Bengal Tenancy Act.

Q. 91. The Sunset Law and all old Regulations must be repealed to be replaced by the Bengal Tenancy Act which is to be amended according to the exigencies of the time.

Q. 92. Answered in question 91.

Q. 93. Landlords' fees have been rightly abolished, as they are now relics of feudalism. So the loss need not be considered.

Oral evidence of the representatives of the Bakarganj Krishak Proja Party.

10th March 1939.

PRESENT ON BEHALF OF THE PARTY.

Syed Habibur Rahman.
Babu Debendra Nath Ghosh.
Syed Abdus Sattar.

In reply to the Chairman, Maulvi Habibur Rahman said that the Permanent Settlement should be abolished and the zamindari system must go without payment of any compensation. The raiyats, by which he meant the tillers of the soil, should have proprietary rights. He would give such rights to the tillers of the soil whether they are raiyats or bargadars. He would give full rights of ownership and free transfer. He agreed that many holdings are small and uneconomic and that free transfer will tend to make them still smaller. There should be some restriction on the right of transfer. Holdings should be 3 acres in size and the tenants should not be allowed to transfer if as a result the area becomes less than three acres. The rent should be Rs. 3 per acre as the maximum and the basis should be one-eighth of the net produce, i.e., according to the figures in question 72, the value of paddy per acre is Rs. 27, the cost of cultivation is Rs. 17 and the rent should be one-eighth of the balance of Rs. 10. Rent should be fixed in perpetuity, in the same way that the zamindar's revenue is fixed. He thought that the resulting revenue would be greater than the present revenue. All tenureholders should also be turned out without compensation. It might be true that this would destroy the middleclasses but all great changes in history have not been effected without a revolution. He regarded tenureholders as merely brokers on land. He wanted to prevent any sub-letting by statute. He thought that if the cultivators came under a nationalised State, all agitation against the payment of rent would disappear. The barga system is a relic of feudalism and should be abolished. Bargadar's rent should be commuted and fixed at a maximum of Rs. 3 per acre.

In reply to Sir F. A. Sachse, he said that he is a member of the Bar and holds land as a zamindar, tenureholder and a raiyat. The cultivation is looked after by his brothers. He sometimes employs bargadars to cultivate his land. They pay him three-fourths of the crop and receive one-fourth. He would not propose that his own bargadars should be given occupancy rights. Sir F. A. Sachse pointed out that he had previously recommended such rights for all tillers of

the soil. He replied that the custom regarding bargadars varies from district to district. Bargadars may have rights in western Bengal but they have no rights in Bakarganj. He admitted that his own bargadars are cultivators who supply plough and cattle.

Maulvi Abdus Sattar said that he also cultivates through bargadars who receive one-fourth of the produce. Sometimes his bargadars supply seed and cattle, and sometimes he supplies them. The bargadar does all the work of cultivation. He is better off than an agricultural labourer, and a raiyat is still better off than a bargadar. A bargadar on one-fourth share would get 15 maunds of paddy from 10 acres—he might not be able to live on that amount.

Maulvi Habibur Rahman said that the real owners at the Permanent Settlement were the zamindars. The tenants at that time had no rights and legislation has only given them bogus rights. Asked if he would be prepared to pay anything for the proprietary right in his own land, he admitted that tenants have now got some degree of proprietary right.

In reply to the Chairman, he agreed that by restricting transfer, he would be taking away something from the rights of the occupancy raiyats but he thought there must be some sort of restriction.

Continuing to Sir F. A. Sachse, he said that raiyats now sell their lands because there is no restrictive legislation. He agreed that they might also sell because they need money to pay their debts. He agree that it would be to the benefit of the raiyat if the value of land goes up.

In reply to the Maharajadhiraja Bahadur of Burdwan, Babu Debendra Ghosh said that the Bakarganj Krishak Proja Party contains 75 per cent. Muhammadans and 20 per cent. Hindus—this is the communal proportion of the district population. Originally the whole population of Bakarganj consisted of Hindus.

Maulvi Habibur Rahman said that the landlords have effected no improvements whatever. They have only showed tyranny and oppression to their tenants. So far as his knowledge goes, no landlord in Eastern Bengal has done anything for his tenants. Some landlords might have given donations to schools, hospitals, etc., but the money which they gave belonged to the tenants. He maintained that the tenants in Madras and Bombay are better off than the tenants in Bengal. The people of Bombay have more money and are more enterprising. The reason for this is that there is no Permanent Settlement. He admitted that he had not been to Madras or Bombay and could not say what rates of rent prevailed there. He said that when the Permanent Settlement was enacted, the tenants were not a party to it. He did not agree that any compensation should be paid, as is now paid when Government acquires any property under the Land Acquisition

Act. Asked whether the tenants in khas mahals are not already under a National Government, he replied that the present Government is not fully democratic. He agreed that the Government might be called national in so far as the Ministers are elected. He did not approve of State landlordism and would not have the whole province as a khas mahal.

The Secretary enquired who would collect the rents under nationalised State. He said that it would be collected by the Collectors of districts. Sir F. A. Sachse asked whether a nationalised State should take away all the lands in Calcutta. He replied that every piece of land should belong to the man who lives on it and owns it. He was in favour of taking away lands from persons who own more than the average amount of land and giving it to people who are landless. The Secretary enquired whether the idea of ancestral property is not so ingrained in the country that this proposal would be impractical. Maulvi Abdus Sattar agreed. Babu Debendra Ghosh thought that the nature of the people is such that they would be unwilling to part with their ancestral property.

Continuing to Maharajadhiraja Bahadur, he said that the East India Company might have based the Permanent Settlement on the existing land revenue system as they found it then, but they were a band of traders actuated by business motives. Asked what was the meaning of the reply to question 46 that landlords have indulged in "an obnoxious trade on land", Maulvi Habibur Rahman said that the Permanent Settlement has resulted in speculation on land. Many zamindaris have changed hands and have been purchased by capitalists. Maulvi Abdus Sattar agreed that tenants have also carried on trade in land but said that many of them are moneylenders. Babu Debendra Ghosh explained that by trading on land, he referred to purchases by landlords of their tenureholders' or raiyats' lands. He agreed that some rights have been given to tenants by the Rent Act and by subsequent legislation but legislation has not protected them against the tyranny of zamindars. He said that Khas Mahal Officers had made enhancement of rents simply in order to obtain promotion and had ruined the tenants. He considered that in some cases zamindars are less oppressive and in others more oppressive than khas mahals. He said that the Nawab Bahadur of Dacca is a most tyrannical landlord.

In reply to Mr. B. K. Roy Chowdhury, he said that it is his personal experience that the landlords have done nothing to bring waste land under cultivation (he is 40 years old). He agreed that owing to the famine of 1770, the population was greatly decreased at the time of the Permanent Settlement and that there was much fallow land at that time. He maintained, however, that the landlords have done nothing to extend cultivation.

In reply to question 7, the figure of 16 crores has been taken from the Government Statistics (he refers presumably to the Cess Valuation). Including abwabs, the landlords' collection in the whole of Bengal would be 25 crores. The tenants do not ask for redress against the realisation of abwabs because they are dumb. Major Jack, he said, had reported the scale of abwabs in course of his enquiries for the whole of Bengal. He did not agree that the incidence of rent in Bengal is lower than in other provinces. He could give no figures for the incidence of rent or the average value of produce in other provinces. He said he only believed in the right of private property in so far as personal property is meant. Babu Debendra Ghosh agreed and Maulvi Abdus Sattar said that he believed in private property. Compensation would be payable for the loss of personal property. He did not agree that, by replacing the present system of peasant proprietors holding on fixed rent, the effect will be a second Permanent Settlement. He maintained that Bengal is industrially behind other provinces. In reply to the Secretary, he said that Central Provinces and Bihar are industrially ahead of Bengal.

Mr. B. K. Roy Chowdhury then asked him to explain the apparent discrepancy between the statements that lands should be equally distributed (question 21) and secondly, that cultivators should be allowed to sublet freely (question 26). He explained that subletting should be restricted to agriculturists.

In reply to the Secretary, he did not agree that the Moghul Government demanded up to one-third of the share of produce.

11th March 1939.

Babu Lal Mohan Sen appeared in addition to the representatives examined on 10th March 1939.

Maulvi H. Rahman drew attention to an article written by himself in a paper called the "Krishak" on 27th May 1938 in support of his statement that according to Todar Mal's revenue system 1/10th of the produce was realized by the zamindars who paid 1/4th to the State. He also referred to Major Jack's Settlement Report to show that abwabs in Bakarganj amounted to Rs. 20 lakhs.

In reply to Khan Bahadur Hashem Ali Khan, he said that landlords have done nothing to improve their estates. Reclamation of jungle lands in Bakarganj was made by the tenants themselves by the sacrifice of their lives and labour. The large bil area in the north of Bakarganj adjoining Faridpur and covering 5 thanas is mostly under water in the cultivating season, and the tenants have to pay rent although the

produce is very small. The area can be reclaimed by excavating a few khals and constructing a few embankments. Neither Government nor the landlords have done anything in spite of 8 years' agitation. People in that area live on fishing generally and are subjected to floods almost annually. The landlords are mostly absentees, e.g., the Nawab of Dacca, the zamindars of Narail, the Lahas, and Bhuyas of Daca. They did not visit the villages in their estates even last year when there were floods, and gratuitous relief had to be given. The condition of people living in the khas mahal char lands is horrible: there is rack-renting, and crops are damaged by drought and floods. Government may spend money on embankments but it is very little. Between 1920 and 1930 many landlords brought suits for enhancement of rent and were granted enhancements between 3 annas and 6 annas in the rupee. No suits had been brought by tenants for reduction because they feared oppression.

No compensation should be paid to the landlords because the Permanent Settlement was a contract made between the East India Company and the landlords: the tenants were no party to it. The landlords must be penalised for the oppression on their tenants.

The Chairman enquired whether the case of the zamindars at the Permanent Settlement should be regarded on the same footing as that of persons who have invested money in zamindaris in more recent times. Babu Debendra Nath Ghose replied that the latter class of zamindars have already made sufficiently large profits and Maulvi H. Rahman said that these were all speculations in lands which must be stopped.

Continuing to Khan Bahadur Hashem Ali Khan, Maulvi H. Rahman said that various kinds of abwabs were realised. He referred to nagar salami, which used to be realised by selling widows of the Namasudra class to the highest bidders. This system is now abolished. Abwabs are however still realised for marriages and sradh ceremonies of members of zamindars' families.

In reply to the Chairman, he said that the tenants have not the courage to complain against these illegal exactions because they fear oppression. He said that they are still paying abwabs on the same scale as before.

In reply to Khan Bahadur Hashem Ali Khan, he agreed that the amount of abwabs has now been reduced. Tahuri is paid at the rate of 1 anna and mohuriana from 1 anna to 4 annas per rupee. At least 4 annas per rupee is paid as abwabs. The amlas in the zamindari estates do no grant rent receipts properly with the object of keeping a hold over the tenants. Some landlords even take security bonds for the good behaviour of their tenants. Khas mahal tahsildars also realize

tahuri. In the paddy season they come in boats owned by the ferry men and carry off paddy from the tenants by force.

The average rent in the permanently settled area in Bakarganj is Rs. 4 to Rs. 10 per acre. (According to the Settlement Report the average incidence of rent of the whole district is Rs. 4-8.) He agreed that in diara mahals temporary settled proprietors get 10 per cent. to 20 per cent. of the actual collections. (The invariable rule is that temporary settlement proprietors should get not less than 30 per cent.)

The Colonization Department should be abolished and the area should be brought under khas mahal without any extra expenditure.

The tenants who reclaimed jungle lands in the temporarily settled colonization area were afterwards turned out on account of competitive salami. In reply to Sir F. A. Sachse, he explained that he was not referring to the Gourkati Settlements in char areas. In reply to Khan Bahadur Muazzamuddin Hosain, he said that tenants had taken 5 years' jungle cutting leases on the expiry of which they were unable to pay salami on settlement. Tenants under the tenureholders and raiyats in the khas mahal area are paying exorbitant rents. The rates are from Rs. 20 to Rs. 30 per acre. (The Secretary pointed out that under section 48B, Bengal Tenancy Act, the rent of an under-raiyat cannot exceed 1/3rd of the estimated produce.) In many cases settlements of large areas have been made with amlas of the Civil Court and the Collectorate. (Sir F. A. Sachse pointed out that there might have been a few cases of this nature long ago, but the practice is forbidden by the rules issued by the Board of Revenue.)

The soil is decreasing in fertility owing to want of irrigation. There are openings for industrial development such as cocoanut oil and fibre, salt and sugar factories.

He agreed that if the Permanent Settlement is abolished there will be a decrease in litigation.

In reply to Khan Bahadur Muazzamuddin Hosain he agreed that tenants will have to pay the State demand even if the Permanent Settlement is abolished but he held that abwabs would disappear and that tenants would cease to be oppressed. The collection of rents would be satisfactorily managed under a nationalised Government. He agreed that rents in Madras might be much higher than in Bengal but said that tenants in the khas mahals there are happier than in the zamindari areas.

As regards the reply to question 13 he explained the meaning is that he advocates the abolition of the Permanent Settlement and also advocates rent-restrictive legislation. He agreed that if all the land in Bengal is distributed equally, the agricultural population might get

·82 of an acre per head and that it would be necessary to divert part of the population to other avenues such as industry. The land in the khas possession of the landlords should be confiscated and given to the labourers.

With regard to question 26, he said that a tenant who has sublet should not have any right in that land, and that after lands are nationalised, transfers to non-agriculturists should be stopped by statute. The maximum area which he would allow any cultivator would be 9 bighas and persons holding that area should not be allowed to purchase more land.

He agreed that some bargadars have acquired occupancy rights and should be given such rights. Most bargadars in Bakarganj hold lands as occupancy raiyats. He agreed that land is passing out of the hands of actual cultivators and recommended that transfers should be restricted to agriculturists. The increase in the number of transfers is due partly to the shrinkage of agricultural credit. For this the Bengal Agricultural Debtors Act and the unrestricted right of transfer are responsible.

He agreed that one reason for the tenants' inability to pay rent is that holdings are becoming uneconomic.

The payment of salami should be altogether stopped.

He was not in favour of enhancements on the ground of fluvial action or rise in prices.

As regards the reply to question 72, Khan Bahadur Muazzamuddin Hosain pointed out that there are some inaccuracies in the figures. If the outturn of paddy is 18 maunds an acre and the price Rs. 1-12 per maund, the value should be Rs. 31-8 instead of Rs. 27. The price of jute has been shown as Rs. 1-8 per maund which is unusually low: Maulvi H. Rahman agreed that this was a mistake and that the price should be Rs. 3 instead.

Neither Government nor the zamindars have done anything to improve the fertility of the soil. Government should encourage migration to West Bengal where 33 per cent. of the area is still lying fallow.

Babu Lal Mohan Sen said that in Norway the co-operative system is that the land is distributed by Government according to the needs of the people so that the profits are shared by all.

He thought that productivity of land should be increased by a scientific system of agriculture.

He could not suggest any amendments to the Bengal Agricultural Debtors Act, but agreed that debts should be compulsorily settled and that certificate procedure might be exercised by the Civil Courts. He thought however that the certificate procedure is harassing and should not be in the hands of administrative officers but should preferably be entrusted to munsifs. He agreed that 99 per cent. of the civil suits are decided *ex parte*, and therefore thought that certificate procedure might be exercised by the Civil Court.....

In reply to Dr. R. K. Mukherji, Maulvi H. Rahman said that the Bakarganj Proja Party was formerly affiliated to the official Proja Party but now has revolted and is an independent body.

The causes of the cultivators' present condition are:

Firstly, the excessive rent which varies from Rs. 4 to Rs. 30 per acre.

The tenants at the bottom of the scale pay Rs. 20 to Rs. 30 whereas the average value of produce in Bakarganj is Rs. 25. Generally, rent is 80 per cent. to 90 per cent. of the gross produce. Dr. Mukherji explained that the average incidence of rent in Bengal is Rs. 3 per acre and is admittedly lower than in any other province in India. If that is so Maulvi H. Rahman agreed that it is not the land system which is to blame for the present condition of the cultivators.

Secondly, he agreed that small holdings are a primary cause of the present economic conditions and that they have become uneconomic through over-population and the laws of inheritance. These have got nothing to do with the land system of the province. He suggested migratoin to Assam or western Bengal.

Maulvi A. Sattar said he was in favour of altering Islamic laws of inheritance.

Thirdly, he agreed that cultivators in Bakarganj are out of work for six months in the year. This fact is not due to the existing land system. Government must develop industries, preferably cottage industries, because people will be unwilling to leave their homes for industrial areas. He suggested the development of spinning, weaving, cocoanut oil and fibre, salt and sugar industries in particular.

Fourthly, he agreed that another reason for the present economic condition of the cultivators is the low level of prices of agricultural produce. For this also the land system is not to be blamed. He agreed that better marketing facilities are needed. As regards the suggestion that rents might be paid either in cash or kind, Maulvi Abdus Sattar said that this system might work and that in Bakarganj there is a small percentage of tenants who now pay rent in kind.

He agreed that nothing has been done for agricultural improvement and that the fertility of the soil is gradually decreasing due, among other reasons, to non-excavation of dying khals. Government must come forward with a programme of agricultural improvements.

He agreed that cultivators are extravagant by nature and often incur debts for social reasons, but said that they are now poorer and, for the last four or five years, have been unable to borrow.

Rack-renting prevails over the whole district. Rent is fixed for whole holdings whether they contain fertile or unfertile lands. Babu Lal Mohan Sen explained that in the char areas there is a tendency for tenants to take settlements on too high rents which they cannot ultimately pay. In the estate of the Nawab of Dacca many holdings have been made khas. Dr. R. K. Mukherji pointed out that this might be so but the holdings under the Court of Wards management are re-settled with other tenants.

Maulvi H. Rahman agreed that if according to their proposal all the zamindars, tenureholders and non-cultivating raiyats are removed, it would be necessary to prepare a fresh record-of-rights in each district and this operation might cost as much as Rs. 6 crores. He thought however that this money would have to be paid.

As regards the figures showing the outturn and value of crops in the reply to question 72, he said that the value of paddy per acre should be Rs. 31-8 and that rent at Rs. 6 an acre would be about 1/5th of its value. On the figure given for the price of jute, the cost of cultivation is higher than the price of jute. The figures do not contain an estimate of income derived from other sources. He said that the average sale price of lands is as follows:—

1st class land—Rs. 150 to Rs. 250 per bigha.

2nd class land—Rs. 80 to Rs. 100 per bigha.

3rd class land—Rs. 25 to Rs. 50 per bigha.

Reply by Maulvi Abul Quasem, M.L.A., Secretary, Nikhil Banga Krishak Proja Samity.

The vast and comprehensive field covered by the quentionnaire makes it impossible to deal with it in all its aspects and the question arises how our views in relation thereto can be best formulated. Personally speaking, I am not disposed to enter into antiquarian researches concerning the history of the land laws of Bengal from the most ancient times up to the present day, because I feel that no fruitful purpose will be served unless practical suggestions are given to remedy existing evils however they may have originated.

I would therefore try to answer those questions only which have some practical bearing.

The questions which I would like to answer in this connection are as follows:—

Q. 3. I do not think the landlords have done anything to improve the economic development of the country. They have simply offered unoccupied lands to intending cultivators whose number increased enormously during the first part of the last century and the land previously uncultivated were brought into cultivation but not really through their agency. They had opportunity for rack-renting converted themselves into rent receivers and have failed to perform the functions expected of them at the Permanent Settlement.

Q. 9. Please see answer to question 3. As the effect of absenteeism in the early part of the last century, digging and cleaning tanks which had come to be regarded as an official obligation of the zamindars during the Muslim regime continued by force of habit and tradition rather than as a legal obligation to be performed by the landlords; but when they started congregating in cities like Calcutta and thus lost touch with local conditions, the many-sided luxury of the capital extinguished those other beneficial activities.

Q. 10. Whether the Permanent Settlement was economically good or unavoidable at the time does not appear to me material; but judging from present results I have not the least doubt in my mind that the masses have not been benefited, rather the country—so much so that something more or less drastic will be called for to make the situation tolerable. Neither landlords nor tenants by themselves have been able to keep the land from deteriorating, not to speak of improving it.

Q. 13. The Permanent Settlement is in any event utterly out of date and unsuited to present conditions. This question seems to assume that bevond increase in the realisation in the shape of rents nothing else

has happened. Are the lands the same in quality and quantity? How much of the increase goes into the pockets of the zamindars and how much now represents income upon which a substantial portion of the increased population (not zamindars) subsists? Unless the nature of the land available for use by cultivation or otherwise and the pressure of population it is called upon to bear are ascertained by a proper scientific survey, no useful purpose will be served by eliciting uninformed opinion on questions of this nature.

Q. 19. The Government at any rate is in many ways a better landlord than a general run of private landlords. But the khas mahals are part and parcel of the entire system of landholding and land using in the province, which appears now to be rapidly heading towards widespread general soil deterioration and soil impoverishment at least in West Bengal, which at present it is nobody's business to prevent or remedy.

Q. 22. If the first big step should in fact be determined upon the other questions are matters of minor importance which will not offer insoluble difficulties.

Q. 25. I am in favour of confining occupancy right to the tenants actually cultivating the soil including bargadars, adhiars, bhagchasis. Drastic measures should be taken against sub-letting system. Sub-letting for more than 2 or 3 years must be held to be a ground for forfeiture of his (lessor's) occupancy right. Tenants will have occupancy right in so much of their holding which can be tilled by him. Cultivation of land by one's own toil must be the criterion of occupancy privilege.

Q. 29 and 30. Yes; middle-class have left their villages and let out their lands in barga. The reason suggested in question 30 appears to have contributed more or less to this effect.

Q. 32. As bargadars are the cultivating raiyats and not the persons under whom they hold as bargadars, occupancy right should accrue in their favour to the exclusion of the latter. In my opinion it will prevent sub-letting system to a great extent.

Q. 37. Yes; by the Act of 1929 and by the Act of 1938 great facilities have been given to non-agriculturists to acquire considerable areas of raiyati lands unless Bengal Tenancy Act is remodelled in this respect, cultivating raiyats will be converted into bhag paying tenants-at-will.

Q. 41. Special facilities should be given to the cultivators to consolidate their holding by exchange, purchase, pre-emption, etc., and by other more scientific means to be devised.

Q. 42. Much valuable information bearing on this question can be procured from the Punjab Government where the restrictions

against the selling of agricultural lands to non-agriculturists have been at work for many years.

Q. 52. I think this is the most important question of the present day. It is agitating every mind and much can be said on this important question. Old pargana rates, i.e., rates at which tenants could be found to take lands are now extinct. Tenancy Legislation from 1859 (Rent Act) onwards have modified this conception of rent. Having regard to the physical condition of Bengal I am of opinion that economic rent is undefinable. I am averse to borrowing ideas current in other provinces to solve local problems specially when we do not know how those principles themselves originated. There should be an inadequate survey of land, produce, tenants' requirements, risks attending on their business of cultivation profits to be reasonably expected from different orders of lands and so on before any solution of the question of fair and equitable rent will be in sight. The law in the Bengal Tenancy Act would not have worked hardship on the cultivators if the enhancement and reduction of rent had not been left to the very expensive (prohibitory to most tenants) machinery of law courts.

Q. 53. Majority of rents are lump rents based on competition for lands, agricultural development of the soil and the status of the tenant still rates differ greatly for similar lands for traditional reasons.

Q. 71. I believe that rules regarding remission are very little observed in practice at least in West Bengal. I think the machinery should be so modified that the Government would be aware of the necessity of remission and take action therefore without being moved in the elaborate manner pre-supposed by the rules.

Average yield in my district (Hooghly) per bigha is Rs. 16. The cost is Rs. 13-8 approximately and therefore the profit per bigha is Rs. 2-8.

	Rs.	a.		Rs.	a.
Paddy, 8 maunds at Rs. 1-12.	14	0	4 ploughs at annas 12 each ..	3	0
Straw 12 pons ..	2	0	Labour—		
			3 for sowing ..		
			2 for transplanting ..		
Total ..	16	0	3 for shearing ..		
			2 for carrying ..		
Less expenses of cultivation, etc.	13	8	3 for threshing ..		
			13 heads at 6 annas per head ..	4	14
Net balance ..	2	8	1 plough for preparing ground for sowing at 12 annas.	0	12
			Paddy seed	0	6
			Cartload of manure-soil, including cartage.	1	8
			Rent for one bigha ..	3	0
			Total ..	13	8

Q. 80. I approve more or less all the suggestions, but they should not be regarded as exhaustive.

Q. 83. Establishment of agricultural banks controlled by the Government.

Q. 87. Yes.

Q. 90. It is harassing. Rent can be recovered under the provision of the Bengal Tenancy Act.

Tenants are generally good pay-masters. They do not withhold rent if they are able to pay. Certificate procedure acts harshly on them. In Civil Court he gets some respite and he can make settlement with landlord. But in case of certificate procedure the feeling between the Khas Mahal Officer and the tenant becomes more and more bitter.

Miscellaneous.

Reply by Mr. A. C. Gupta, Advocate, High Court.

Generally speaking, I do not desire to deal with questions which are mainly enquiries as to past history of the land revenue and tenancy legislation of this province. So far as that history is clearly and definitely known it needs no inquiry through any circulated questionnaire. So far as that history is doubtful and controverted I apprehend that the answer would not turn so much on historical truth and accuracy, which it may be difficult to establish beyond controversy, but on sympathies of people on one side or the other. But I take this attitude principally for the reason that I do not think that this past history should to any considerable extent affect the present policy of the land revenue and tenancy legislation. This should depend almost exclusively on what may be necessary and beneficial to the nation at the present time and in near future.

Q. 11. (*i*) It is difficult to feel sure what the statement really means. Certainly 80 per cent. of the total produce of the land does not go to the zamindar. If the statement means that 80 per cent. of the rent paid by the cultivating raiyats goes to the zamindar, I am not sure about the percentage. But it is clear that between the zamindar and the middlemen is absorbed a very high percentage of the rents paid by the raiyats.

Therefore I do not think that this criticism, if it really means what it says, is justifiable.

(*ii*) I am of opinion that as a natural result of the security given by the Permanent Settlement against enhancement of revenue it would have a tendency to encourage subinfeudation. But I do not think that this is the only cause of subinfeudation of tenancies in the province. So long as land can be used as capital which would give profit without labour subinfeudation would occur.

(*iii*) I do not think that the permanency of the revenue demand by the Government has led to enhancement of raiyati rents. It is difficult to see why the Permanent Settlement should lead to that effect. Prima facie the effect would be in the contrary direction. The expectation expressed in paragraph 6 of the Permanent Settlement Regulation as to the effect of "the public assessment being fixed for ever" on the demands of the zamindars on the raiyats has to a certain extent been realised. In any event I think that the pressure on the raiyats would have been far greater had the land revenue demands been not fixed as made by the Permanent Settlement.

In my opinion this criticism is not justifiable.

(*iv*) If by a system of overlordship is meant subinfeudation of tenancies, it is true as already pointed out in answer to (*ii*), but mere subinfeudation would not have any appreciable tendency of increasing the harassment and oppression on the actual cultivators.

If the question really means that the zamindari system, permanent or temporary, is harassing and oppressive on the cultivators because they have a landlord of their tenancies, the question is not capable of a simple answer. The cultivators at the time of Permanent Settlement being poor and unorganised did suffer acts of harassment and oppression at the hands of many of their landlords.

But this harassment and oppression had nothing to do with the Permanent Settlement of the land revenue. I am opinion that had the Settlement been temporary the harassment and oppression would have been far greater. I am not sure that there is not here some confusion between the zamindari and the Permanent Settlement.

Q. 12. The abolition or otherwise of the Permanent Settlement is a matter to be judged by considerations more fundamental than the grounds set forth in question 11.

Q. 13. I think it is clear that as a result of the Permanent Settlement the zamindars absorb a large percentage of the rents paid by the raiyats. If to the income derived by the zemindars be added the profits derived by the middlemen from the rents paid by the raiyats the percentage of the raiyati assets absorbed by the zamindars and the middlemen would be considerable. I cannot be sure as to the exact amount thus intercepted.

Of the three methods suggested for increasing the revenue of the State by taking to itself a larger proportion of the raiyati assets than at present I am of opinion that the only course which would be practicable at present is the third suggestion, viz., the imposition of a tax on agricultural income. This method of income-tax on agricultural income in order to be workable and just should be a tax on all agricultural income above a certain minimum figure which would exclude actual cultivators of poor and moderate income but would include the zamindars and prosperous middlemen and those who would go in for farming on a large scale, as also cultivators making income above the specified minimum.

As regards suggestion (1), viz., the total abolition of the zamindari system I cannot advise such a course at the present moment. The chief reason which weighs with me is the present condition of the agriculturists of Bengal. They are so illiterate, poor and unorganised that direct settlement with the State, which could only be worked by

innumerable petty Government officers, would lead to acts of oppression against which the cultivators would be more helpless than at present in their dealings with the officers of the zamindars. I am of opinion that the cultivators should be made literate and more organised before they are brought in direct contact with the State. If and when income-tax is levied on agricultural income it is hoped that a considerable portion of the money realised by the State should be spent for the education and organisation of the agriculturists.

As regards the second suggestion, temporary zamindari settlement of land revenue is a measure to which I am definitely opposed. The evils of such a system are well known and in fact constituted one of the reasons for substitution of the Permanent Settlement in place of temporary settlement. Such a system would inevitably lead to oppression of the agriculturists.

Abolition of the zamindari system without the liquidation of the middlemen would be meaningless. And whatever may be theoretically neat it would not be possible in practice simply to expropriate the zamindars and middlemen. The compensation to be paid to this vast body would require a very considerable sum of money, whatever may be the exact amount, and it would without a doubt form a charge on the public revenue of the province in the shape of bonds. It may sound a little Machiavelian, but I would advise a levy of income-tax on agricultural income also for the reason that it would reduce the nett profit of the zemindars and the middlemen to a reasonable figure, and in future it would be possible to buy them up at a lesser cost.

The ultimate aim should doubtless be not to allow any one to exploit labour on land simply by using the land as capital.

Q. 16. By the State purchase of the zamindaris (and I would include middlemen's interests) the social structure of Bengal may be expected to undergo some alteration. The educated middle class, which means professions and the Government offices will not undergo much change. A proportion of the savings of this class no doubt is now invested in land, i. e., in zamindari or tenureholder's interest. But this investment has already become unremunerative and would in any case practically cease in no distant future. The cultural progress of the province depends at present on this class. And there is no reason to think that the proposed purchase would very seriously affect the position of this class. It can be expected that the savings of this class would seek investment in industry and commerce, and the abolition of the system of investment in zamindari would almost certainly lead more activity in the industrial sphere. The zamindars at present play no important part in the cultural life of the province. The respect which is still paid to them is merely respect to wealth and to tradition.

But, after all, reaction in human society to changed circumstances is not according to any definite physical laws. It depends on men's volition. There does not appear much to apprehend that society in Bengal will fail to readjust itself to this new economic condition.

Q. 25. I am of opinion that the tenant actually cultivating the soil, however low his position might be in the heptarchy of tenants, must have occupancy right secured to him. The proposal of confining such occupancy right to such cultivators only is one of great practical difficulty. A person may begin by actually cultivating his tenancy and properly becoming an occupancy raiyat and then ceasing to cultivate it either wholly or in part by letting out to another raiyat. An attempt to deprive him of occupancy right in the whole or part of his tenancy would require a complicated legislation and may lead to profitless litigation.

I am therefore of opinion that occupancy right should at least be given for the present to more than one tenant.

Q. 26. It is the difficulties of legislation and its practical working which this question indicates that have led me in answer to question 25 to suggest that occupancy right should be granted to more than one grade of tenants.

Q. 27. I cannot find anything in the Permanent Settlement Regulation on which any definite opinion about the intention of the Regulation in the matter can be based.

But I think that occupancy, i.e., non-ejectable, right should be given to tenancies of the nature indicated in the fourth exception of section 37 of Act XI of 1859 (the Bengal Land Revenue Sales Act).

Q. 28. There is no reason why protection to cultivators should persist in land converted to non-agricultural purpose except the practical difficulty of getting rid of tenancy right originally purchased or acquired. But I think that additional tax should be levied on such converted holdings and the basis of the taxation should be the present market value of the land.

Q. 29. This is a matter of statistics. I have not materials on which I can definitely say whether the number is really on the increase or not.

Q. 30. If as a matter of fact the number of bargadars, etc., is really on the increase, the factors mentioned in 1, 2 and 3 would logically have a tendency to contribute to such increase. The question of deciding in what proportion the supposed increase may have been caused by these factors is a matter of still more difficult statistics and I am not in a position to give any opinion.

Q. 31. I do not think that the first part of the question is capable of any definite answer as the area held by different bargadars varies enormously.

I am not in a position to say whether the majority of bargadars hold also raiyati or under-raiyati tenancies but undoubtedly many bargadars do so.

Q. 32. The use of the term "bargadar" is not free from ambiguity.

When a person allows another to cultivate his land in return for a share of the crops contributing nothing to the production of the crops, he is merely a landlord of the land and receives the agreed share of the crops merely because he is the owner of the land. Though this is really letting out the land to a tenant at rent in kind, this system is sometimes called "barga". I think that in these cases the reality should be recognised disregarding the names, i.e., the so-called "bargadar" should be recognised as a tenant and right of occupancy and other rights of a tenant should be extended to him and right should be given to either party to have the rent commuted to money.

The barga system is properly so-called when the person owning the land contributes some other factors to the production of the crops than merely the supply of the land, e.g., contributing the seed or the plough and the other costs of cultivation in whole or in part. In such cases, the system should really be looked upon as a partnership between the owner of the land and the bargadar for the production of the crops. Having regard to the backward and unscientific condition of agriculture in our province and also to the illiteracy and poverty of the actual agriculturists, encouragement should be given to such partnerships for actual cultivation and production of crops as would invite or at least make possible for men with means and intelligence to join with actual agriculturists for production of crops. In such barga cultivation the respective rights of the parties should be regulated by the law of partnership modified so far as may be necessary by the special needs of the case.

Q. 33. In answering question 32 I have already expressed my opinion that the so-called "barga" system which is really a name of tenancy at a rent in kind has no economic foundation whereas the genuine barga system, viz., partnership for production of crops, is economically sound and deserves extension.

It has already been pointed out that the first class of co-called barga system should be abolished by making bargadar a tenant in all respects.

Q. 34. In answer to question 32 the difficulties raised in this question have already been met. I think, as already pointed out, that distinction should be realised between two actually different systems

going under the common name of "barga". When that distinction is realised and appropriate legislation made for the two different kinds of relations, no difficulties would remain unsolved.

Q. 35. With respect to what has been called previously "so-called barga" there is no reason why, generally speaking, such bargadars who are really tenants should pay more than usual rents for such lands.

With respect to barga in the sense of partnership as explained above, it may be necessary to lay down principles on which profits are to be divided between the respective parties. Obviously the proportion would vary considerably according to the nature, terms and other conditions of partnership.

Q. 36. So far as it is a matter for statistics, I have not got sufficient materials for any satisfactory answer. But I desire to point out that wages of agricultural labourers vary considerably in different years and in different parts of the province and it may not be possible after all to make any satisfactory comparison with the position of bargadars and under-raiyats.

Q. 37. Right of unrestricted transfer given to an agriculturist must, as a matter of course, lead to the passing of some raiyati lands into the hands of the non-agriculturist. Whether as a matter of fact as the result of the Act of 1929 considerable areas have so passed cannot be determined without actual statistics. But I desire to point out that previous to the Act of 1929 non-transferability of raiyati holdings only meant transferable with the consent of the landlord, and that consent could with very few exceptions be purchased by payment of nazar to the landlord. Instances of landlord not recognising the transferee because the latter was a non-agriculturist did not occur possibly in one instance out of one thousand. I therefore do not think that the law in force before 1929 was a bar to raiyati lands passing to the hands of the non-agriculturists or that the Act of 1929 as also the Act of 1938 have made that tendency to any extent greater than in the past.

I am of opinion that it is not now possible to take back the right of unrestricted transfer given to the raiyat or that any such attempt would be wise or politic. I am further of opinion that it is neither desirable nor practicable to restrict the transfer to the agriculturists. This will only lead to a restricted market and hence inadequate price to the needy raiyat. The remedy, so far as there is any, is always to secure occupancy and other rights of a tenant to the actual cultivator to whom the non-agricultural purchaser lets out the land for cultivation.

Q. 42. I think that in the present stage of agriculture in our province scientific cultivation of large areas under one control should be encouraged and at present it is not necessary to put any restrictions to the maximum limit of such areas.

But if the evil which is indicated in the question means that raiyati holdings would be acquired by one person, not for the purpose of large scale scientific farming, but for merely using the land as landlord and at the same time depriving the actual cultivators of the rights of a tenant, I think, as already pointed out in answering questions 25 and 32, that the remedy lies in giving right of occupany and other rights of a tenant in all cases to the actual cultivator.

Q. 43 and 44. Coparcenary by leading to frangmentation of agricultural tenancies is certainly detrimental to good cultivation. But I do not think that any practical remedy can be had by mere legislation. The real remedy is to demonstrate to the cultivators the beneficial effect of cultivation of economic holding. I think that if such demonstration be convincing the cultivators themselves would be willing to provide themselves with such economic holdings on voluntary basis. In such condition, special facilities may be provided for consolidation of holdings by exchange or otherwise, as contemplated in question 41.

Q. 45. I think that the question really means "arrangement for collection" by a common agency. A tenant is not bound, unless he has agreed to do so, to pay rent separately to co-sharer landlords. The tenancy is one so far as he is concerned and he is only bound to pay the whole rent jointly to all the co-sharer landlords.

This necessarily compels the co-sharer landlords to arrange for collection of rent jointly.

If the question implies that the tenants' contract to pay rent separately to the co-sharer landlords should not be made binding on them and that all separate collection of rent by co-sharers which obtains at present should cease, I do not think that there is any evidence of the evils of such separate collection being enormous and I think past contracts by tenants should not be interfered with.

Q. 46, 47 and 48. (i) If by the term "contemplated" used in questions 46 and 47 and by the term "meant" used in question 48 what is asked is a question of the legal interpretation of the Permanent Settlement and connected Regulations, I think that it is not possible, according to ordinary canons of legal interpretation, to deduce the conclusion that the Regulations legally barred the rights of the zamindars to enhance the rents or rate of rents payable by tenants at the time of the Permanent Settlement. For if that was the intention, meaning thereby intention expressed or necessarily implied by the words used, of which only law can take notice, nothing would have been easier than to say so definitely in the Permanent Settlement Regulation itself. On the contrary, the language of Article 6 of the Permanent Settlement Regulation by expressing "hope and expectation of the Government of the good faith and moderation of the zamindars

towards the tenants" is not consistent with legislation in bar of enhancement of the rents then being paid. Further when Article 6 speaks of the benefit to the zamindars of enjoying "exclusively the fruits of their own good management and industry" it does not appear that it was excluding the idea of getting more as rent from lands already let out to tenants.

Article 7 of the Permanent Settlement Regulation reserved the right of the Government to make laws "for the protection and welfare" of the various grades of tenants. That right of the Government was expressly reserved, as the article itself says, "to prevent any misconstruction of the foregoing articles". This is a reasonably clear indication that the Permanent Settlement Regulation itself did not by its own provisions secure the rights of the tenants to hold at the rent or rate of rent at which they were paying at the time of the Permanent Settlement.

Subsequent legislation providing for restrictions against enhancement of rents at the discretion of zamindars proceeded not on the footing that by demanding increment of rent zamindars were violating any terms of the Permanent Settlement, but on the footing that the Government was exercising the right for protection of the tenants which it reserved in the Permanent Settlement Regulation itself. There is nothing clear and undisputed to show that this view of the Government on its subsequent legislation was wrong.

From section 6 or section 50 of the Bengal Tenancy Act, which come into the Act from sections 3 and 4 of Act X of 1859, it will be unreasonable to conclude that the legislation made the rent paid at the time of the Permanent Settlement unalterable because the rent was unalterable at the date of the Permanent Settlement. The alternative view is the more reasonable, viz., that rent which remained unalterable for such a long period should not be allowed to be disturbed. Indeed it is an application of the same principle by which a contract for fixity of rent at the origin of the tenancy is presumed from payment at an unalterable rate from a long time. As a matter of fact it was merely a legislative device for securing fixity of rent to old tenancies held at an unaltered rate. The presumption of the continuance of the tenancy from the Permanent Settlement from only twenty years' occupation at an unaltered rate was obviously not one of logic but of legislative policy.

(*ii*) If the question asks what the framers of the Permanent Settlement Regulation hoped and expected as a result of their policy, the matter is entirely historical and, in accordance with the view expressed at the beginning of my answer to the questionnaire, I do not desire to discuss the matter. But I wish to re-iterate the view that it is not by

settling questions of disputed history that the present policy of agrarian legislation of Bengal should be settled. It should depend to some extent on the existing law on which the expectations and anticipations of the present generation of landlords and tenants are bassed and to a very large extent on what is required by the necessities of the present and future welfare of the country as a whole.

Q. 49. I think that in discussing and settling the question of the proper and reasonable rent which the tenant should pay at present it is irrelevent to consider the "intention of the framers of the Permanent Settlement". The question itself in its various parts sufficiently indicates the impracticable nature of going back to the Permanent Settlement for the purpose of adjusting the rents payable by the tenants at the present time. The grievance which the tenants feel as to their rate of rent relates to the pressure which they feel at the present time, viz., an economic grievance and not the historical grievance that the rent which was really unalterable at the time of the Permanent Settlement has been since altered against the provisions of that Settlement.

The last part of the question is better answered in connection with the answer to some of the latter questions, specially questions 52 and 56.

Q. 50. Already dealt with in reply to questions 46 to 48.

Q. 51. I do not think that there is any solid foundation for the supposition. But I am further of opinion that the question of rate of rent to be paid at present of what was waste land and what was tenanted land at the time of the Permanent Settlement should be answered from the same point of view of what is fair and equitable at present. There should be no distinction in the question of rate of rent at present fair and equitable on the ground that the land was tenanted or not tenanted at the time of the Permanent Settlement.

Q. 52. I think that the following principles should be applied in determining fair and equitable rent in Bengal:—

(*i*) The rent should not exceed a proportion of the price of the crops (taking average of a fixed number of years) minus the cost of cultivation (taking an average).

(*ii*) The rent so fixed should not be enhanced on any other ground except that contemplated in section 30 (C) of the Bengal Tenancy Act, viz., the improvement in the productive powers of the land wholly or partly at the expense of the landlord.

(*iii*) Any further readjustment of rent due to agricultural prosperity or the necessities of the State should be left to future which can only be expected and hoped to be a distant future.

Q. 53. So far as one can see the present current rent started from a sort of customary rent and has been affected, considerably in some parts of the country, by competition depending on the great demand for land growing crops of high money value.

On whatever area basis rent might have been fixed at the origin, at the present time the majority of rents are treated as lump rents when they come before courts of law.

I think that though there might be exceptions for special reasons the rates are practically the same for lands of similar value in the same locality.

Q. 54. If it is a question of last settlement, it does not appear that poorer and weaker tenants would take settlement at a higher rent than the richer and the stronger ones. Rather the contrary would seem to be the case. But it is possible and is probably the fact that when the landlord tries to enhance the existing rent the poorer and hence weaker tenants are more easily induced to agree to enhancement than the richer and therefore the stronger ones.

The factors mentioned in question 53 have really fixed the existing rents in Bengal. But these factors have varied considerably according to economic and other circumstances.

Q. 56. I have already expressed my opinion in answering question 52 that fair and equitable rent should be based on a share of the produce.

Without proper statistics being collected as to the value of the agricultural produce in Bengal and what revenue has necessarily to be raised from this agricultural produce, it is difficult to give any definite answer as to the "proportion". I think that if it can be avoided the rent should not exceed $\frac{1}{4}$ the price of the nett produce, i.e., the price of the gross produce minus the costs of cultivation assuming that the tenant bears all costs of cultivation.

Q. 57. This question has already been answered in replying to question 52. *See* answer *(iii)* to that question.

Q. 58. It seems that the question assumes the abolition of the zamindari and the subordinate tenures leaving the State to raise revenue from agricultural lands directly from cultivators. I desire to point out that apart from the consideration indicated in the second part of the question the elaborate enquiry which would be necessary every year to find out the assessable income of each agriculturist, the majority of whom are illiterate and incapable of filing a proper return, would make the whole scheme impracticable and oppressive if sought to be introduced in the present state of the country.

Q. 59. The question is very general in its character and is really particularised in questions 52 and 60 to 64. My answer to this question is to be gathered from my answers to the questions abovementioned.

Q. 60. In answer to question 52 the view on which I have proceeded is that the benefit of all unearned income should go to the cultivator and that therefore there should be no enhancement of the rent except on the ground that the productive powers of the land have been increased wholly or partly at the expense of the landlord. In expressing that view I have been guided by the consideration that it is the cultivator who is the sole instrument in production of wealth from the land and his economic status is the worst of all.

The question of "fairness" or otherwise in such matters depends to what is the standard of fairness to be applied. If it is only meant fair according to existing law it has no particular meaning for under the present law he does not get all the benefit. But if the standard of fairness is the remuneration of labour there appears to be nothing unfair in giving the cultivator the entire benefit, considering the small return which he gets from his labour and the fact that he alone does everything to raise crops from the land.

Q. 61. My answer to question 60 indicates my view with regard to question 61. Rise in prices is an unearned income and the same considerations which would apply to enhancement of rent on the ground of fluvial action will also apply to enhancement of rent for rise in prices.

Q. 62. The kind of consideration suggested in this question in determining the enhancement of rent is impossible of practical application.

Q. 63. The policy should be to adjust rents throughout the province on reasonable basis having regard to the necessities of the cultivators and requirement of revenue by the State. Under these conditions if some rents have to be enhanced on application of what is fixed as the principle for adjustment of rent the result cannot be avoided. As I have suggested raising of revenue by levy of income-tax on agricultural profits I do not recommend abstention from enhancement of rent when necessary for reasonable adjustment of rent.

In adjusting reasonable rent improvements effected at the raiyat's expenses or payment of advance rent by the raiyat should certainly be taken into consideration. There should be no reasonable grounds for apprehension that adjustment of rent should be carried out without any regard to these considerations.

Q. 64. In answering question 52 I have expressed my opinion that rent should not exceed a fixed proportion of the average nett produce. From this it follows that if necessary on that principle there should be provision for reducing high contractual rents and for limiting rents for new settlements.

Q. 65. The question is too general to admit of any satisfactory answer.

As already indicated I am of opinion that rent should be adjusted throughout the province on a reasonable basis fixing the maximum to be a proportion of the nett produce. Chapter X of the Bengal Tenancy Act, in settlement of rent, does not proceed on such principle and is defective from that point of view.

Q. 66. I have again to point out that unfairness has to be judged by a definite standard of fairness to be applied. If by unfairness is meant economically burdensome, the poverty of the Bengal cultivators is such that in most cases any enhancement is economically burdensome and hence unfair. But if the question really means whether within the present framework of law enhancements under section 105 were given with any bias against the raiyats my experience is on the whole to the contrary. As a matter of general rule the Settlement Officers have exercised the discretion given to them under section 35 in favour of the cultivating raiyats and the special Judges have seldom interfered with such exercise of discretion.

Q. 67. It is difficult to say what object is primarily in view of the Government in making revisional settlements, but as a matter of fact the revenue is always enhanced by such settlements.

Q. 68. In recent times enhancements of revenue of temporarily-settled estates have been as a general rule made by very big jumps over the existing revenue. If that fact is considered to be unfair, the enhancements have been generally unfair. But I am not quite certain what standard of fairness in enhancements the question is assuming.

Q. 69. It is quite obvious that if rents are enhanced during fall in prices it would give rise to grievance which cannot otherwise be described than as legitimate.

Q. 70. I can only think that the variation is due partly to the original rate of rent being fixed more or less on customary basis and partly to the difference in demand for land owing to local conditions due, e.g., to transport facilities and other circumstances.

Q. 77. The present uneconomic condition of the cultivating raiyats of Bengal is due generally to two factors: (*i*) the primitive method of cultivation which is still being followed resulting in a production

which is ridiculously low in quantity and quality compared with the standard of other civilised countries, and (*ii*) the unbearable pressure on land owing to non-development of modern industries and destruction of old handicrafts. Neither the "general policy of Government" nor "the land system of Bengal" ever concerned itself with this aspect of the cause of the uneconomic condition of the raiyats. The general policy of the Government and the land system of Bengal are responsible for the present condition of the raiyats in this sense that any positive policy for improvement of agriculture and organisation of the land system with a view to such improvement would have prevented the present uneconomic condition.

As to the question what "modifications" of the policy of the Government or the land system are necessary to remove the present uneconomic condition of the cultivators I desire to emphasise that no mere change of the land-laws giving the raiyats better security to their rights in their tenancies or relieving them from the excessive burden of the present or enhanced rents would to any appreciable extent better their present hopelessly uneconomic condition. Far greater effort on the part of the Government and the nation than mere passing of such legislation is necessary to better the condition of the cultivators, which is in one sense, is bettering the economic condition of the whole country. It is necessary to substitute the present primitive mode of agriculture by modern scientific methods and the land system of the province should be changed according to the necessities of the introduction of such modern methods of agriculture. It is needless to say that provision for marketing facilities inside the country and in the world market must go hand in hand with improved agriculture and pressure on the land must be reduced by the introduction both of large-scale and of cottage industries. I think that any attempt at short-cuts can only lead to futility and disillusion.

Q. 80. I have generally answered this question in answering question 77.

Q. 81. I have already indicated my view in answering question 77, that in the present state of agriculture of the province the pressure of population on the land is one of the main reasons of the poverty of the agriculturists. The question of surplus population in respect of the agricultural needs depends on the method of agriculture. In modern methods of scientific agriculture a smaller population that at present would produce more and would support a larger population than is done at present in Bengal. If the question seeks an answer as to what percentage of men could be removed from agriculture without and difficiency in labour in the present state of agriculture in Bengal the matter is one of elaborate statistics and I cannot venture any guess.

Q. 82. Pressure will be relieved by more agricultural production as also by taking off people from land to other avocations, e.g., industry. The industries may be large as well as small. I do not find any reason to suppose that the only means to take off people from the land is by taking them "to large industries in Government aided factories." Unaided private factories large and small, if successfully worked and home industries, if properly organised, would do as well and perhaps better. If the industry be of a nature which cannot or ought not to be started by private enterprise, such factories should of course be started by the Government and may no doubt employ part of the surplus agricultural labour.

Q. 83. There is no efficient organisation, Government or private, from which the agriculturist can get loans on reasonable terms. I do not think that the co-operative credit societies have to any considerable extent met the necessities of the real agriculturists. These societies have largely been inefficient and not always honest in their management. These co-operative societies have been practically the only Governmental institutions for providing agricultural credit. Generally owing to the defective organisation and unsatisfactory personnel the experiment has not proved to be a success. Better result may be expected by organising these societies on stricter basis and with the help of men commanding confidence of the people by their reputation of efficiency and honesty. I regret to have to say that in the past more often than not management of these societies has been entrusted to men possessing so-called "loyalty" which generally meant people who seek to be in the good graces of the executive authorities in the hope of benefiting their private affairs.

But I think that until the agriculturists are more solvent than at present no system of giving them credit could be ultimately successful and the present methods of agricultural credit can only be of a tentative and palliative nature with a view to save the cultivators from utter insolvency.

Q. 84. I have no statistical data on which this question is based. I can only say that a very high per cent. of the gross produce the agriculturists pay as interest to the mahajans.

To reduce the rate of interest at present paid by the agriculturists on their loan better credit must be organised as to which I have given a general answer in answering question 83.

Q. 85. I cannot add anything helpful to what I have already said in answer to question 83.

Q. 86. I am of opinion that the Debt Settlement Boards under the Bengal Agricultural Debtors Act, 1935, have dealt with problem of

agricultural debts by practically ruining the agricultural credit of the province. In my opinion the Act should be repealed. The system of setting up Debt Conciliation Boards should be abandoned and the problem of reducing and adjusting agricultural debts should be left to the ordinary law courts for solution after laying down general principles for reduction and adjustment of such debts by disallowing high rates of interest and allowing proper instalments and providing for simpler methods of agricultural insolvency.

The problems of this Act I dealt in some details in an address delivered last December as President of the All Bengal and Assam Lawyers' Conference. I sent a copy of that address, where this matter is dealt with.

These general remarks, vague generalities if you like, bring me to an Act of our provincial legislature, with whose pricks and pranks we are now familiar. I am referring to the Bengal Agricultural Debtors Act of 1935. I am one of those who are in deep sympathy with the object of this legislation. The crushing indebtedness of the agriculturists of Bengal requires lifting and that without delay. Not only do they form the majority of the population of Bengal, but they are the producers of practically the whole wealth of our province, and which we all divide. All schemes of national welfare are idle so long as this vast mass of our countrymen has to live a life which is scarcely human. Their grinding poverty of body and mind must be removed, and the first requisite is to relieve them from the unbearable burden of their present debts. I know credit for them has to be provided for, but that must be on conditions not murderous. But all talk of sanctity of contract in this connection seems to me to be mere cant. Anyhow nothing is more sacred than humanity itself. And if the relief of agriculturists' debts presses somewhat heavily on other classes of the population that has to be borne, for in our agricultural country none are more deserving than the agriculturists.

But look at the way in which the legislature goes about its task. The Act lays down no principles or guiding rules for determining the proportion of reduction of debts, or for granting instalments. Best endeavours are to be made to induce the parties to arrive at an amicable settlement, as if, if men were so reasonable as that they would not have already settled their affairs. The Act therefore does not aim at reducing the debts of the Bengal agriculturists on any rational basis which would apply throughout Bengal. There is no enlightened economic policy as to the proportion of the agricultural debt which needs cancellation. Everything is uncertain and nebulous, and what is amazing is that the administration of this uncharted measure is entrusted to assemblies or Boards with no training in the difficult art of deciding

disputes of men. To be able to do without the guidance of rules is the result and reward of protected training in the application of rules. The object of this legislation can only be satisfactorily realised by laying down general principles for reduction and settlement of debts and entrusting the ordinary law-courts of the land for applying and carrying out those principles. And if large discretion has to be given, it must be given to those only in whose hands it is safe, viz., the judges of the country. But law-courts and lawyers are anathema to the makers of this law. It would have been surprising and highly gratifying if in our country, where literacy is the exception and illiteracy the rule, men of sufficient ability, not to speak of probity, could be found for filling the hundreds of Boards which have been set up throughout the countryside. But unfortunately one cannot reap where one has not sown. To keep the country illiterate and then to expect that it would be able to supply throughout the country laymen educated enough to run these Boards with even moderate success is to expect the impossible. And the natural is happening. There is no use hiding the truth that confidence in these Boards scarcely exists anywhere. We all must have come across section 34 notices the issuing of which seems to be the chief business of these Boards, in which the chairman appears just able to scribble his signature. Of the incompetence of these Boards, take only one illustration. It has become an open scandal that persons who were never contemplated as entitled to the benefit of the Act have succeeded in inducing many of these Boards to take them under their protection. But why? The Act is clear enough whom it is meant for. But still, if it is grievously misapplied, it can only be stupidity or worse, and the civil court has no say in the matter. It is evident that if these Boards, the majority of whose members are practically uneducated, continue to be entrusted with the task of reducing the agricultural debt of Bengal, the whole attempt will be brought to utter discredit, and the greatest sufferers will be the agriculturists themselves. Entrust the measure to the ordinary courts of the country and it will work successfully. I do not know whether it is thought democratic to set up judicial tribunals of untrained men, but a democracy which does not know its own limitations makes a nuisance of itself and builds the highway for fascism.

Q. 87. If the Government finds it practicable, the system would be extremely satisfactory if the Banks are placed under efficient and honest management. How far it will be possible for the Government to find money for the purpose I am not in a position to express any opinion.

Q. 88. I have no detailed knowledge of the functioning of the land mortgage banks to give a satisfactory answer. But generally speaking the banks or loan offices which lent money on mortgage of

agricultural lands, from raiyati holdings to zamindaris, are now practically bankrupt owing to heavy fall in the price of such lands.

Q. 89. It is true that the method of realisation of rents by suits is both costly and cumbrous and also harassing and expensive to the tenants. But I apprehend that any summary methods, e.g., distraint or certificate procedure, would lead to greater harassment and oppression of the tenants. I think that the method of suits is under the circumstances a necessary evil. But the procedure of rent suits and rent executions should be made as simple and inexpensive as possible and the present procedure can be considerably modified with that end in view.

Q. 90. This question has already been answered in answer to question 89.

Q. 91. I am of opinion that the old Regulations and Acts dealing with the revenue law should be repealed and replaced by Act or Acts making simpler and up to date provisions.

Q. 92. The question is too general to admit of any satisfactory answer.

Q. 93. It is obvious that by abolition of transfer fees and the zamindars' right of pre-emption the income of the landlords would be reduced. But the market price of the tenants' holdings would be enhanced.

I cannot give any estimate independent of the statistics given in Statement No. XIV of the List of Statistical Abstracts supplied by the Commission.

Reply by Rev. Victor J. White, of the Australian Baptist Mission.

Q. 1. In my opinion the Permanent Settlement placed a weapon in the hands of the zamindars for destroying the rights of the people who are tenants as they existed at that time. From personal knowledge of the locality in the Netrakona subdivision it is quite evident that the zamindars have destroyed large taluks which were formerly in the hands of the aboriginal peoples. These taluks were reduced to jote holdings, and later jote holdings have been broken up and turned into produce rent holdings purporting to give no permanent right in the land.

Q. 2. The Permanent Settlement certainly gave extensive powers for regulating the use of the land and an opportunity to improve the economic conditions of both themselves and the people.

Q. 3. The Permanent Settlement secured the zamindar against increase of contribution for revenue, but did not secure the tenant against enhancement at the will of the zamindar. The zamindar for the most part continued as a rent collector, increasing his gains; but did not fulfil the hopes of those who framed the Permanent Settlement, that is that they would be benefactors of the tenants, improving their land.

Q. 4. Before the Permanent Settlement, the zamindars were rent collectors and not proprietors of the soil. They date their permanent right in soil from 1793.

Q. 5. The Permanent Settlement sold the birth-right of the people, and it is doubtful whether any Act or Government has the right so to do in perpetuity. That a pledge was given cannot be denied but however we are clear that it was an error, and now self-government has come into force all our weight should be thrown into the argument that there is no point in such self-government if it must be bound by every error as well as by every sound doctrine of its predecessor.

Q. 6. The Permanent Settlement did not encourage zamindars to extend cultivation by their own initiative, it encouraged them to increase their income from the legitimate labour and pioneering spirit of the peasant class from whom they exacted the regular rent. The pressure set up by increase of population accounts for the extension of cultivation in areas formerly covered with jungle. Here again it was the enterprise of the tenants who braved the terrors of the jungle to bring it under cultivation. The zamindar does not seem to have spent his own money for effecting such improvements.

Q. 7. Practically the whole increase in value has been created by the community and it is this unearned increment collected in the form of rent that largely explains the large increase in value, from the time of the Permanent Settlement, viz., 3 crores compared with present valuation which may prove even more than 16 crores as stated. One may quote the statement of Sir Michael O'Dwyer concerning the Punjab which may just as easily be said of Bengal:—

> "We took over the Punjab in 1840. It had an area of 80,000,000 acres of which 12,000,000 only were under cultivation. The average value was then 5 shillings per acre. There were no roads, railways, and canals. In 1920 as the result of security, railways and canals 30,000,000 acres are under cultivation and 12,000,000 acres irrigated at an average of £25 per acre. Thus the capital value of land has risen in 70 years of British rule from £8,000,000 to £750,000,000."

It would be interesting to have a similar statement concerning the increase in land values of Bengal.

Q. 8. I do not consider that this expectation has been fulfilled in practice. My experience among aboriginal people shows land has been alienated in contravention, even of recent acts such as chapter 7(*a*) of the Bengal Tenancy Act indicates the extent to which equitable and generous treatment has not been meted out to the people. This statement has its support in facts and figures and cases on record since the partially excluded area of Mymensingh has been set up.

Q. 9. The Permanent Settlement evidently did not impose any specific duties upon the zamindar. It gave them a free hand to hand over their estates to less responsible people while they themselves could live in luxury elsewhere, without keeping contact with the actual conditions of the tenants who were brought under their control by the Permanent Settlement.

Q. 10. The Permanent Settlement from the point of economic interest was fundamentally unsound and unwarranted. It benefited the landlords at the expense of the tenants, because the unearned increment or portion of it no longer found its way into public revenue thus whereas 10 per cent. was given to the rent collector and 90 per cent. went to revenue, now 10 per cent. goes to revenue and 90 per cent. to private interests.

Q. 11. (*a*) Yes.

(*b*) Yes.

(*c*) Yes, including many illegal enhancements beyond that provided by the record of rights and law.

(*d*) Yes, the criticism is largely justified.

Q. 12. Yes, it seems to be the only way to effectually deal with the economically depressed condition of Bengal as compared with other provinces.

Q. 13. I advocate the collection of economic rent for the purpose of revenue. This means that the unearthed increment created by service both of the public and of the State will be secured for financing the various needs of Government.

Q. 14. The zamindars have had considerable compensation since the inauguration of Permanent Settlement. If they are not able to conduct their business in a satisfactory manner and so forfeit their right to the land, the same should then be kept in *khas possession* of Government and not let out to other zamindars.

Q. 16. To hang a millstone round its neck for many generations.

Q. 17. Many of these intermediaries would be eliminated if the unimproved land value tax were paid into the Government treasury.

Q. 19. Yes, the raiyats would prefer to come under Government direct. Probably under the khas mahal the illegal enhancements could not take place as much as under private proprietors.

Q. 21. The same as that of purchasing the zamindaris.

Q. 22. All land, khas or otherwise, should be subject to the same unimproved value taxation which the ordinary tenant would have to pay.

Q. 23. From time immemorial the King on behalf of the people has been looked upon as the owner of the land which was to be used for the benefit of the people, all of whom had a common interest and right in same. British legislation based on the pattern of old England probably introduced something into the land tenure realm which is foreign to the East.

Q. 24. Yes, largely so. This has been the position until the time of the Permanent Settlement.

Q. 25. No intermediary right should prevent Government from realising what is due to revenue on the unimproved value of the land.

Q. 26. If the raiyat lets his own land out on shares or at a rental it should not prevent his State from realising its dues from him.

Q. 27. Yes, provided they pay and actual portion of the unearned increment into revenue.

Q. 28. Yes, I certainly approve of the State levying an additional tax on the unimproved value of the land even up to the extent of the economic rent.

Q. 29. Yes, the class of cultivator is on the increase, because of the inroads made by the moneylenders, in taking over the holdings of the tenants.

Q. 30. (*i*) This partly explains the increase in share farming.

(*iii*) Much land has passed over to mahajans. During the economic depression their land was sold to recoup money dues. The system of allowing a mahajan to get a hold on the land by oral arrangement has also contributed to the loss of many tenures. They allow rent to fall into arrears and they purchase the holding in their own name.

Q. 31. A number of bargadars may just have a raiyat's right to a household plot.

Q. 32. Yes, they should have Government rights as a bargadar and receipts should be issued giving them clearance year by year. Under these circumstances they should not be ejected.

Q. 33. With the fragmentation of holdings and considering the small area in the hands of many tenants the bargadar system would not be economically sound.

Q. 34. In this area we do not find zamindars cultivating khas land with hired labour.

Q. 35. In my opinion one-third would be a more equitable amount.

Q. 36. The agricultural labourer lives hand to mouth existence, for often he sells his labour for term of years in return for some cash amount by which he undertakes to meet the dues of his mahajan.

Q. 37. In my opinion the experience which we have gained amongst aboriginal peoples which makes it impossible for a transfer to take place between an aboriginal and non-aboriginal without the consent of the Collector has saved the situation for them. I think some similar condition could be imposed to give preference in matters of transfer as between agriculturists.

Q. 38. In this locality 6 acres would be an economic holding for a medium family.

Q. 39. (*a*) Yes.

(*b*) Yes, the fragmentation of holdings is very pronounced owing to the Muhammadan law of inheritance. The same fragmentation does not take place among primitive aboriginal people.

Q. 40. This is a most difficult and problematical proposition, and could only be brought about by purchase and exchange of holdings. Though difficult it is most desirable in many cases.

Q. 41. Yes, if possible.

Q. 42. If a fair economic rent is collected by the State it will tend to prevent the accumulation of large areas by one person beyond that which he can economically cultivate for himself.

Q. 43. It does lead to the fragmentation of holding and should not be subdivided among themselves without the approval of the Collector to ensure that the holding is not reduced below a fair economic unit.

Q. 44. *See* above.

Q. 45. Only when their share of the land is divided and they collect their rents payable to them alone and not to several co-sharers. (From experience in the Debt Settlement Board the fact that tenants have to pay several times that is to several co-sharers within the State greatly complicates the payment of dues and also leads to additional impositions through the added number of rent collectors and officers who go to the village to collect the rents.)

Q. 46. Those who framed the Permanent Settlement considered the permanent arrangements being made would also hold good for the tenants under them, but no provision was made in the Act to protect cultivators from enhancements by the landlord.

Q. 47. This they assumed, but because no specific provision was made we have been led into the present depressed economic condition of Bengal's fiscal system.

Q. 48. If this was meant it was just as unjustified and detrimental to the State and public interest as the settlement considered permanent for the zamindars.

(*e*) Herein lies the defect that the State has allowed the zamindars to reap the entire benefit from the value they did not create.

Q. 49. I think it is quite fallacious to think of fixing rents in perpetuity either for the zamindar or for the tenant, and to even go back to some rent existing at the time of the Permanent Settlement will not meet the situation that confronts Bengal to-day. Tenants as a whole do not object to the payment of a fair and equitable rent. What they object to is the fact that only a small fraction of their rent goes

back in the way of public service, as same is intercepted by the zamindari system.

Q. 50. We would be repeating the mistake of those who framed the Permanent Settlement if we contemplated fixing rent for all time.

Q. 51. The framers of Permanent Settlement were certainly lacking in vision. They did not dream that land values would increase in the way they have during recent years.

Q. 52. Certainly economic rent should be paid in proportion to the fertility of the land and on account of the value created through public enterprise in the way of communication and other facilities.

Certainly the market value should be taken into consideration.

Q. 53. The fixing of rents has not followed economic principle which would act in consideration with all concerned. It has been most haphazard and irregular, thus giving one a great advantage over another.

Q. 54. Yes. Pressure of population set up immigration and clamour for land.

Q. 55. Again it should be based on the unimproved value of the land. The rent should not be fixed in perpetuity.

Q. 56. The values of the land irrespective of improvements should be ascertained and a tax placed on same, that will eliminate all other taxes on labour.

Q. 57. Experience in the Bombay Province shows that long term settlements have not found favour and have gradually been reduced from 25 to 20 and even 10 years.

Q. 58. This would lead to all sorts of evasion.

Q. 59. It is not the fixing of equitable rates and provisions for enhancements of same by the Bengal Tenancy Act that has been defective so much as the manner in which rates have been raised without appeal to a competent court.

Q. 60. It is the State that should certainly share in the natural improved value.

Q. 61. Enhancements should not be considered unless there is a rise of prices which is more or less stable.

Q. 62. The economic nature of the holding should be taken into consideration.

Q. 63. The tenant should not be deprived of the fruit of his own labour by collecting same in the shape of rates. It is the value which he does not create which should be the legitimate claim of the State.

Q. 64. The same principle as heretofore stated should operate.

Q. 65. The right of the people or State in the land should never be abrogated even by the tenant holder or zamindar. It should always be free to collect the just and equitable economic rent.

Q. 66. My experiences of enhancement under section 105 of the Bengal Tenancy Act have been nominal and fair, but illegal enhancements above that sanctioned under section 105 have been claimed and collected by the landlord.

Q. 67. This should not be the only object of a revisional settlement. The Government should respond more readily on the grounds of a decrease in value, then on the grounds of a small increase.

Q. 68. Yes.

Q. 69. I am not aware of this.

Q. 70. Because no economic principle has been accepted in the matter of fixing rates.

Q. 71. Remission of rent is rare. Even where tenancies have been destroyed by flood and sand it has been known that zamindars endeavour to collect dues through certificate procedure. There are many cases in the Debt Settlement Board where tenants say they have relinquished land affected by sand deposit but claims are still being made by the zamindars though the land has gone out of cultivation.

Q. 73. In the tracts bordering on the Garo Hills the productivity of the soil is on the decrease. Improved seed has been introduced with good effect. Artificial manures have not been fairly tried.

Q. 74. Conservatism and lack of initiative in rural areas.

Q. 75. I do not know.

Q. 76. Salami is realised but not for improving the land. It is another means of increasing the income of the landlord.

Q. 77. I consider the Permanent Settlement largely responsible for the condition of raiyats to-day.

Q. 78. Debt Settlement Boards.

Q. 79. The record-of-rights is satisfactory to a degree. Some local record of minor changes would be useful.

Q. 80. Improved methods important.

Supplementary industry is needed for State-reasons.

Collective and co-operative farms could be tried especially in aboriginal areas. Co-operative storage and marketing is most important. The cultivator mostly sells his dhan at a price 50 per cent. to 70 per cent. less than that received by the mahajan from June-October.

Cattle breeding is most important. Any weed is allowed to encumber the soil in the hope it may be able to pull a plough.

Irrigation most important. May be done by co-operative or collective farming.

Q. 81. Yes, pressure of population does cause poverty, but poverty could also be removed if all members worked, and worked systematically.

Q. 82. Canning factories could help to absorb some labour, and enable cultivators to cultivate supplementary fruit and vegetable crops. First class tomatoes can be grown, but there is no arrangement for preserving the surplus stock.

Q. 83. The short term agricultural loan is the best to save the tenant from the moneylender.

Q. 84. Yes, and even more (Changora).

Q. 85. Co-operative credit societies have helped many to get a start on the land. The principle of co-operation has not been well understood. Most other demands have been met first not realising co-operative credit should be progressive with the needs as they arise. I do not think co-operative credit has succeeded in wiping out rural debts. It has created another indebtedness by the cultivator.

Q. 86. Yes, Debt Settlement Boards have as far as I know been able to scale down agricultural debts very considerably. Defects there are which delay unduly awards which should be given.

Q. 87. Short term loans, refundable within the year, are needed. (11,000 to aboriginals.)

Q. 88. I would like to try one for the partially excluded area of Mymensingh. Specially for aboriginals.

Q. 89. With change in procedure of Debt Settlement Board such dues could be realised, with little expense and harassment.

Q. 90. As far as I know the working of the certificate procedure has been harassing and objectionable because the peons so often use

it to lime their own pockets. A portion of the amount realised for goods distrained never finds its way on to the receipt issued. That Debt Settlement Board should deal with rent dues in a separate category to other debts.

Q. 91. I would follow the revenue laws so well applied in Nigeria.

Q. 93. Probably the illegal enhancements will be dealt with. The tenants will be saved from losing their land. The landlords income will be decreased.

Oral evidence of Rev. Victor J. White, on 24th March 1939.

In reply to the Chairman, he explained that by "economic rent" in his reply to question 13, he referred to the unimproved value of land resulting from the service of the community and not from improvements. There has been large increment in the value of land since the Permanent Settlement. Even at the time of the district settlement, the rent must have been 100 per cent. higher and the value of land higher still. He would be in favour of taxing all land values. Rs. 3 per acre, the existing rent, is reasonable and still leaves a further unearned increment. In Mymensingh district, the educational cess is 5 pies per rupee on the rent roll and amounts to as much as the revenue paid for the entire district. If the Permanent Settlement were abolished he thought that Rs. 3 an acre would be a reasonable rate of rent.

The barga question is difficult. In the north of Mymensingh there is a tendency to convert cash rents into fixed produce rents, which are payable whatever the outturn may be. This system is very common. In fact there have been definite attempts to break up taluks and jotes and to convert them into smaller holdings on the tanka system. The object of this is to get round the provisions of the Tenancy Act. Holdings which were recorded in the settlement records as having occupancy rights are being treated as though the tenants were adhiars. It is true that many tenants were paying produce rents formerly, but the position is now worse because the landlords are attempting to contravene the Tenancy Act by auctioning holdings at produce rents, and are driving out the tenants. The reason for this is largely that the aboriginal tenants are ignorant, but Hindu and Muhammadan tenants have suffered similarly. The policy of the zamindars seems to be responsible for this. The zamindars derive greater profits when cash rents are converted into produce rents. Their

kabuliyats are a contradiction in terms. They start by calling the tenant an adhiar and proceed to assess a fixed paddy rent.

In reply to Sir F. A. Sachse, he said that tanka rents are high, and have amounted to as much as 11 maunds per *ara*. Some zamindars refuse to recognize as tenants cultivators who are paying fixed produce rents, in spite of the fact that cases have gone up to the Board of Revenue, and the Board has held that they are tenants and that the landlords' kabuliyats are invalid.

Continuing to the Chairman, he said that he is in favour of restricting transfer to agriculturists. Chapter VIIA of the Tenancy Act has benefited the aboriginal tenants, and he would therefore recommend some provision on those lines. Because rent is below the economic level, several grades of intermediaries have squeezed themselves in between the actual cultivators and the State, and live on the unearned increment.

In reply to questions put by the Chairman on behalf of the Maharajadhiraja Bahadur of Burdwan, he said that he would advocate a freehold right for all tenants as in New South Wales. "Freehold" means that tenants would pay direct to Government. In the pre-British period, the Government assessment was on the gross produce, and this penalised the tenants heavily. The Permanent Settlement added greatly to the value of property but none of that profit went to the State. The effect of the Permanent Settlement in Bengal deterred the Governments of other provinces from making the same experiment. He considered that the Permanent Settlement is morally wrong, economically unsound, and socially detrimental. It should be abolished along with the intermediate tenures.

At present taxation falls mainly on labour and the fruits of labour. It should fall on improvements effected by the community, i.e., the unimproved value of land.

As regards the reply to question 91, he explained that in northern Nigeria, the principle of tax on unimproved values has been applied. The same is the case in Denmark which is essentially an agricultural country with a dense population. In Denmark, there is comparative prosperity and peace. In the large cities of Australia, the same principles apply: the tax was removed from the improved values and transferred to unimproved values. This was done in Sydney in 1906 and has been followed by great prosperity. Every municipality has the option of adopting the same system. There should be a Land Valuation Department in Bengal. The Permanent Settlement gives no idea of value of land. The rent roll has gone up from 3 to 16 crores but the actual value of land is far greater.

In reply to the Chairman, he thought that it would be possible even in an old settled country like Bengal to carry out such a valuation.

In reply to Mr. B. K. Roy Chowdhury, he said that he has been in Bengal for nearly 21 years and has resided for 13 years at Birisiri in North Mymensingh. The activities of the Mission extend from Sylhet to the western border of Mymensingh, and south into the Madhupur area. He deals largely with aboriginal tenants but has contact with Hindu and Muhammadan tenants also. In the Susang family, there are three main *tarafs*. One of them is subdivided into two. The Maharaja of Mymensingh has some property, and there are also the zamindars of Narayanpur and Sherpur. Three of the Sherpur zamindars have large interests. The *bara-taraf* of Susang is under the Court of Wards and also the $2\frac{3}{4}$ annas share of Sherpur. The incidence of revenue in Mymensingh is only 1 anna in the rupee of the rent roll, whereas the Maharaja of Burdwan pays Rs. 2 an acre.

He thought that since the Permanent Settlement 50 per cent. of the land in his area has been brought under cultivation, and that the same might be said of the whole of Mymensingh district. He could not give exact figures to show the unimproved value of land but in the case of Susang, he said, land value was practically nothing 25 or 30 years ago, when it was mostly jungle. Land was cleared and brought under cultivation and its value became as much as Rs. 300 an ara (one *ara*= 1·25 acres). At present its value would be Rs. 150 per *ara*.

The record-of-rights would show that taluks were originally held by aboriginals. Probably it was not realised at the time of the district settlement that so much land would be alienated, but Government subsequently discovered what was happening and applied Chapter VIIA of the Tenancy Act. The record-of-rights has been infringed, and jotes have been destroyed. At the time of the Permanent Settlement, the rent might have been Rs. 2 an acre but the landlords have increased them 100 per cent. and by converting jotedars into tankadars they are getting three times as much. He could show many cases in which the rent has been increased more than 2 annas in the rupee. Even the cess has been doubled.

As regards the reply to question 26, he explained the meaning was that Government should not be prevented from realising the unearned increment because a raiyat has sub-let.

In reply to Sir F. A. Sachse, he agreed that there are exceptional reasons in the Susang area which induced Government to start operations under section 112, Bengal Tenancy Act. He would not say however that the reasons for Government's action are confined to one zamindari only; nor would it be correct to say that only the aboriginal tenants are affected. Muhammadans have also been affected. When

jungle was cleared, the land was settled with the tenants at high produce rents. Some of the Muhammadan tenants agreed to pay these rents: they had no option.

The tanka rent varies. It may be 3, 5, 8, or 11 maunds per *ara*. During the settlement operations, crop cutting experiments have shown an outturn of 12 to 15 maunds per acre. The Mission has an experimental farm and has found the outturn to be about 17 maunds per ara. Had the record-of-rights not been infringed the present rate of rent would be between Rs. 2-8 and Rs. 2-15 per acre. At the Permanent Settlement, the rental was much lower. There were large areas held by Hajongs and Garos on very low rents. The zamindars receive Rs. 3 as rent per acre and pay three annas per acre as revenue. The revenue for the whole of Mymensingh district comes to 8·53 lakhs and educational cess at 5 pies in the rupee comes to 8·58 lakhs so that the landlords are only paying 5 pies per rupee on the rent roll.

It is true that the tenants may have profited by selling for good prices land which was worth nothing at the time of the Permanent Settlement, but the landlords have also gained by taking land back into their khas possession. He mentioned a case of a holding worth Rs. 2,000 which had been sold for arrears of rent and purchased by the landlord for Rs. 120. He considered this utterly wrong.

The bargadars receive half of the crop, and manage to exist on it. He agreed that raiyats who pay Rs. 4 per acre as rent should be better off than bargadars.

In reply to Dr. Mukherji, he explained that "Freehold" means that there are no intermediaries, but does not mean that no rent should be paid. He was in favour of taxing the unimproved value of land whether holdings are above or below the economic standard. It is desirable to have holdings of an economic size but he would not legislate to that effect. The scheme which he advocates would produce sufficient money for the development of public services, such as roads, railways, schools, hospitals, etc. If necessary, he would agree to legislate in order to provide economic holdings but he did not think such legislation would be practical: in any case it would not affect the principle which he advocates. Tenants on uneconomic holdings should have other avenues of employment besides agriculture, such as day labour and so forth, and they should not be exempted from taxation. Rent should not be on the gross produce but on the value of the land, excluding improvements, i.e., not on the labour but on the unimproved value brought about by the community. The full economic rent could not be realised at once: it would have to be progressive. The value of holdings would depend on various factors such as their location, their fertility, etc., and with these factors the cultivators have no concern. This system

of taxation is in force in Bombay. Out of Rs. 3 per acre paid as rent in Mymensingh district only 3 annas goes to the State as revenue and he thought that the cultivators would be glad if the whole rent paid by them went to the State. The balance between rent and revenue is distributed among the middlemen and has confirmed them in wealth and idleness. It may be true that this system has created a prosperous middle class, but what, he asked are the conditions of the cultivators. He believed that the reform which he had suggested would find its way down to the very smallest holdings because of the great increase which would be effected in public services. Provinces which are poorer than Bengal are paying more in proportion to central revenues than Bengal. [Dr. Mukherji disagreed, and said that Bengal's contribution to central revenues is higher than that of any other province.]

Income-tax should be levied on what the community, and not the individual produces. It is a tax on labour and the fruits of labour, and should be abolished.

In reply to Mr. B. K. Roy Chowdhury, he said that in Australia the aborigines have reserves over which they can roam and find expression for their nomadic habits. The revenue in Australia is derived almost entirely from tariffs, income-tax and sales tax. He condemned this system because it discourages trade and allows large profits to be made from unearned increment.

In reply to Khan Bahadur Hashem Ali Khan, he said that tenants are more conscious of their rights nowadays. Many of them have grievances; some of which are just but others not. The cultivators realise that they are not getting back in public service a fair portion of what they are paying as rent.

In reply to Khan Bahadur Muazzamuddin Hosain, he said that an increase in the unimproved value of land must always take place following the increase in population and the development of roads and railways. The value of land in Susang might now be Rs. 150 per *ara*. It is true that the jungle land was reclaimed and cultivated by individuals, but those lands had little value until the population increased and the area was developed. If a tax were to be fixed at one anna per rupee on present land values, it would produce Rs. 9-6 per *ara*. But if the same rate were to be imposed on the lands where the office of the Commission is situated the income would be thousands of rupees. According to his scheme the assessment would be increased or decreased according to the valuation. The assessment would not necessarily be one anna in the rupee. He explained that although improvements are effected by individuals, there remains an unimproved value of land. The taxation which he proposes would not be on the improved value but on the unimproved value and the tax would be graded according to

the valuation of the land and the requirements of revenue. The Chairman suggested that it might be difficult to separate the improved from the unimproved value of land and that the whole value of agricultural lands might be due to improvements. Mr. White replied that although virgin land might have little value originally, when the community steps in, a value is automatically created. He did not think it would be difficult to separate improved from unimproved value. The Chairman mentioned that in England the capital value of land is £30 per acre and it is often contended that no unimproved value exists. Mr. White said that wherever an area is developing, a value must arise. If Denmark could arrive at a valuation of the unimproved value there is no reason why it should not be done in this country. He agreed that in making this valuation fertility would have to be considered as also marketing facilities. He mentioned that in other provinces Government has assessed its land revenue on a share of the net produce. As a result of the Permanent Settlement in Bengal 90 per cent. now goes to the zamindars whereas at the time of the Permanent Settlement 10 per cent. went to them.

Continuing to Khan Bahadur Muazzamuddin Hosain, he agreed that unearned increment should go to the State, but landlords should get the increment in cases where they have made improvements such as the excavation of khals, etc., His theory of taxation would be applicable to urban as well as rural areas.

As regards the reply to question 84, he said that it is very difficult to calculate exactly what interest is paid to the mahajans. He instanced a case which went up to the High Court where the interest was as much as 75 per cent. In another case a tenant had borrowed 3 maunds of paddy and in the document the amount to be repaid was described as 9 maunds at Rs. 3 per maund. Interest on paddy loans when converted to cash is sometimes as high as 300 per cent.

Government finds it difficult now to provide agricutlural credit but if more revenue were available it could meet the demand for short termed loans. Recently Government distributed Rs. 10,000 as agricultural loan in the Susang area and the whole amount was repaid.

As regards subletting, he explained that if a tenant has more than an economic area and gives a sub-lease that should not affect the power of the State to impose the full tax, i.e., the tenant who sublets would be assessed on the whole holding including the area sublet. If the holding became more valuable by subletting the rate of tax would be higher.

He considered however that subletting is detrimental. The principle advocated by him would stop speculation in land. He mentioned the case of people who have land in the close proximity of cities and

hang on to it in order to get unearned increment, whereas a man who builds on similar land is taxed.

In reply to the Secretary, he said that zamindars have already been compensated in the sense that they have got a great deal out of their estates but if compensation is to be paid under the provisions of the Government of India Act he would be in favour of a sliding scale which would recover for the community 90 per cent. of the income from unimproved land values leaving 10 per cent. to the zamindars. After four transmissions of the zamindar's interest the annuity charge should be completely extinguished. The land and all revenue from land would then revert to Government with tenants holding direct under them.

In this way private possession in land would remain, but the State or Government would collect what is due to the community from the value which it creates.

Reply by Bangiya Brahman Sabha.

Q. 1. The immediate object of the Permanent Settlement was to ensure a fixed revenue and its prompt realisation to enable the East India Company to meet the expenses of the civil and military establishment of the Company and to pay dividends to its proprietors at home.

The amount required for these purposes was very large, and, consequently, the revenue assessed on estates was exacting. The promise given to the proprietors to let them enjoy the fruit of their good management and industry exclusively and for ever at a fixed revenue was the inducement under which the proprietors took settlement at such excessive assessment and in the face of the harsh methods adopted for realisation of the revenue.

Proprietors were expected to improve the estates by exerting themselves in the cultivation of their lands. But this was simply an expectation and a pious wish and formed no part of the duty imposed by the Permanent Settlement.

The only duties were—

(*i*) To discharge the revenues at the stipulated periods without delay or evasion.

(*ii*) To conduct themselves with good faith and moderation towards their dependent talukdars and raiyats.

In our opinion the Permanent Settlement did not take away any of the existing rights of the tenants, nor did it enlarge them.

Q. 2. Regulation I of 1793 did not lay down the rights of tenants. In Regulation VIII of 1793 the only class of raiyats protected from enhancements were "istemrari raiyats" (section 49). As regards the rest of the tenants the Regulation being silent, we may presume that they were governed by custom and usage.

By the Permanent Settlement the zamindars and other landlords were recognised to the proprietors of the soil and they could therefore exercise all the rights of a proprietor. Though they might not choose tenants in the sense that they were entitled to eject the khudkasht raiyats at their pleasure and induct new tenants in their place yet they had certainly the power to choose tenants at the time of fresh settlement of untenanted lands or at the time of resettling lands relinquished by the old tenants. Section 52 of Regulation VIII of 1793 also lays down that the proprietors of lands are entitled to let the "remaining lands", i.e., lands remaining over and above the lands held by istemrardars in whatever manner they may think proper. The landholders thus had the right to refuse to settle with or recognise an undesirable tenant.

We are of opinion that the rights of the raiyats existing from before the Permanent Settlement continued to be governed by custom and usage and if a raiyat had a customary right of occupation he was not liable to ejectment at the pleasure of the proprietor. But the right of those raiyats whose tenures commenced since the date of the Permanent Settlement depended on contract and as such landlords had certainly a right to choose their tenants.

Q. 3 & 6. The condition of the country during the period intervening between the breaking up of the Moghul Empire and the establishment of the Permanent Settlement was in a hopeless chaos. Government was weak and both person and property were insecure. The economic condition of the country was deplorable. Famines were of frequent occurrence and the one that shortly preceded Permanent Settlement swept away one-third of the population of the country.

The revenue administration was taken up by the East India Company in 1766. From that time onward various methods were tried for collection of revenue but all of them failed. The financial condition of either the Company or of the country did not improve. Even the costs of military and civil establishments of the Company could not be punctually met. The Company was on the brink of bankruptcy. It was at this juncture and to save a situation so grave that the Permanent Settlement was concluded with the zamindars *and other* proprietors of the soil.

On 18th September 1789, Lord Cornwallis wrote:—"I may safely assert that one-third of the Company's territory in Hindusthan is now a jungle, inhabited only by wild beasts. Without a Permanent Settlement the zamindars will not be incited to clear away that jungle and bring it into cultivation and effect other substantial improvements." (Fifth Report, pp. 472-473.)

At the time of the Permanent Settlement it was expected that the zamindars would extend cultivation within their respective zamindaris and from later reports we find that this expectation was sufficiently fulfilled.

"The Administration Reports contain acknowledgment of the excellent administration of their estates by several zamindars; among these are names of conspicuous benefactors of their districts and of their kind, whose good deeds are an example for even England's nobility."

(*See* p. 10, Introduction to zamindary Settlement of Bengal).

On 9th August 1831, Mr. J. S. Mill in answer to Question 3347, "Is it not the fact that the cultivation has extended in those provinces where the zamindari system prevails?" said "I believe that is the fact."

Further on in answer to Question 3348—"To what do you ascribe that?" he said "There can be no doubt that this extension of cultivation implies an increase both of population and application of capital. In order to enable the country to extend its cultivation further capital must have been applied to it."

On the 20th of October 1883 only two years before the passing of the Act of 1885 the Commissioner of Burdwan division reported to the Government of Bengal as follows:—"The Bengal of to-day offers a startling contrast to the Bengal of 1793; the wealth and prosperity of the country have marvellously increased—increased beyond all precedents under the Permanent Settlement.....A great portion of this increase is due to the zamindari body as a whole and they have been very active and powerful factors in the development of this prosperity."

It was the enterprise and good management of the landlords that converted Bengal into one of the most flourishing provinces within a short time after the Permanent Settlement. The tenants no doubt bestowed their labour in the matter of reclamation. But reclamation and extension of cultivation could not have been effected within a short time after the Permanent Settlement by the efforts of the tenants alone had they not been aided by capital and initiative from the landlords whose very existence depended on an increase in the income from their estates.

At the time of the Permanent Settlement extension of cultivation was not so much a necessity with the cultivators as it was with the landlords for due payment of land revenues. At that time there was no pressure of population on agricultural land, rather agricultural labour was scarce and they "had to be courted to undertake cultivation," as Mr. Francis put it. So it may be generally said, as already stated above, that the initiative was taken by the zamindars who had greater resources and wealth and also a pressing necessity for extension of cultivation. Of course, land could not have been cultivated by them. Then again waste lands would not have been in requisition unless there was increase of population for cultivation of additional lands. All these factors, therefore, contributed to the extension of cultivation and prosperity of the province.

Q. 4 & 24. In our opinion the zamindars were the actual proprietors of the soil before the Permanent Settlement and it will not be correct to say that the Permanent Settlement converted that status of zamindars from collectors of revenue to actual proprietors of the soil.

In the Hindu period the raiyats only had the right of occupation and enjoyment of the usufruct of the land. They were "ভোগপতি", i.e., entitled to enjoy the usufruct but not "ভূপতি", i.e., lord of the soil.

They were punishable by fine and sometimes even by ejectment for non-performance of cultivation. (*See* our answer to question 23.)

From the passage occurring in Manusamhita "স্থাণুচ্ছেদস্য কেদারমাহুঃ" some European scholars and following some Indian scholars have deduced "that the proprietary right vested in the cultivator."

Much of the argument in favour of the proprietary right belonging to the cultivator is based on a mis-appreciation of this passage which has been interpreted to mean that according to Manu "land is the property of him who cut away the wood or who tilled and cleared it." This meaning, however, is not justified in our opinion when the verse is read with reference to its context.

The passage occurs in Chapter 9, verse 44. It reads:—

পৃথোরপীমাং পৃথিবীং ভার্য্যাং পূর্ব্ববিদো বিদুঃ।
স্থাণুচ্ছেদস্য কেদারমাহুঃ শল্যবতো মৃগম্ ॥

This has been translated by Max Muller as follows: "(Sages) who know the past call this earth (Prithivi) even the wife of Prithu. They declared a field to belong to him who cleared away the timber, and a deer to him who (first) wounded it."

The note by Medhatithi to this verse is as follows: Though the earth, after she belonged to Prithu was possessed by many kings, yet she is called Prithivi, or Prithvi, after her first owner Prithu. Medhatithi rightly observes here " ত্রকর্ষণবপনভাতকলং তদৈশ্বব" (the result of tilling the soil and sowing the seed goes to him). The cultivator had no right of transfer, a right which is the main constituent of proprietary right in land. Such right had always been only in the king who was the "ভূপতি" or the lord of the soil. This contention will be supported by Jajnavalka, sloka 318, which runs thus: "দত্ত্বা ভূমিং নিবন্ধং বা ক্রয়াদি ন চ কারয়েৎ" etc., in commentary whereof Vijnasewar (Mitakshara) says that the right of gift of land belonged only to the king and not to the person enjoying the usufruct thereof. So the king who had the power of transfer was the real proprietor while the cultivator who occupied the land and enjoyed the usufruct had only a limited interest.

During the Hindu period there were innumerable independent chiefs of different grades who were known as "Rajas", "Mandalleswars", "Mandalikas", "Samantas", etc. They sometimes owed allegiance to the paramount power of the "Samrat" or Emperor, if any. They exercised administrative powers within their territory. They as owners of the soil collected rents from their tenants. Besides the tributes received from kings and other chiefs a "Samrat" or Emperor, also used to collect rents direct from tenants in respect of lands held by him in khas.

During the Muhammadan period the system was not disturbed and these independent chiefs were given the common persian appellation of "zamindar" meaning landlord. So the fact remains that it was the zamindars who were the actual proprietors of the soil even from before the Moghul rule.

Q. 5. The annulment of Permanent Settlement will be a breach of a solemn pledge given to the zamindars. It was a pledge which was not given in a hurry but after mature deliberation and this will appear from the fact the scheme was put forward by Mr. Philip Francis on 22nd January 1776. In 1786 the instructions respecting Permanent Settlement were drafted. In a letter, dated the 12th April 1786, from the Court of Directors these instructions were embodied. In 1789-90 the Government of India introduced the Decennial Settlement. In March 1793 they declared it Permanent.

The Permanent Settlement was introduced under the authority of an Act of Parliament being Pitt's India Act of 1784 which provided *inter alia* that the zamindars who had been displaced were to be restored and the situation rendered permanent.

The language used in the Proclamation itself makes it sufficiently clear that the promise was solemnly given. Relying on such a solemn pledge the proprietors took settlement and those who subsequently purchased zamindaris and other permanent tenures either at a public sale or by private treaty also relied on this solemn promise which recognised and secured a permanent proprietary right of the zamindars in the soil. Permanent Settlement created a sense of security in the minds of the people. It may be safely said that economic and social super-structure of Bengal has been built on the solid foundation of the solemn pledge. Permanent Settlement has immensely benefited the province contributing much towards social, economic and educational progress of Bengal.

According to Indian ideas a pledge is inviolable. It attaches a special sanctity when the Ruling Power is the giver of the pledge. In ancient times instances were not rare when a Hindu king had to renounce his kingdom for the redemption of his pledge.

It is painful to imagine that the Government could ever contemplate to resile from the position they had taken up when the Permanent Settlement was granted.

It is said that the tenants were no parties to the Permanent Settlement. But it was not necessary that they should have been parties to the Settlement because in the first place, the tenants had all along been holding their lands under the zamindars and paying rent to them. There was, therefore, no change in the conditions of the tenants. The arrangement being between the State and the zamindars and the raiyats

not having any proprietary rights it was not at all necessary that they should be parties to it. Besides no particular class of subjects is a party to any legislation.

Secondly, the rights of the tenants were not affected, on the contrary the Government reserved to itself the right to legislate for the benefit of the tenants and has been as a matter of fact safeguarding the interests of the tenants ever since the Permanent Settlement by passing tenancy laws.

It is a travesty of truth to say that Permanent Settlement has crippled the financial resources of the province. The point has been fully discussed in our answer to question 13.

Q. 6. Has been answered along with question 3.

Q. 7 & 9. A small portion of the increase in the rent-roll has been due to enhancement of rent but the bulk of it is due to extension of cultivation. Extension of cultivation has been effected, as we have shown in our answer to questions 3 and 6, by the combined efforts of both the zamindars and the tenants, though it is difficult to say how much each contributed.

Extension of cultivation which was expected of the landlords at the time of the Permanent Settlement formed no part of their duty. It was simply an expectation and perhaps a piece of advice. The only duty that was imposed upon the zamindars by the Permanent Settlement, so far as the tenants were concerned, was to conduct themselves with good faith and moderation towards their tenants. As to how far they have discharged this duty has been discussed in our reply to question 8.

Most of the landlords are resident in their respective estates. Very few are absentees. We do not think absenteeism has been responsible to any great extent for lack of economic improvement of rural areas. We rather think that the Tenancy Laws estranged the tenants from landlords and there being hardly any scope for the landlords to effect any economic improvement of their estates under the present system, they do not find any necessity of their living upon their estates. But still even now instances are not rare when the zamindars are found to "advance seed or money to their raiyats, build and maintain embankments or dig and keep clear and in working order water-courses and prepare wells and spend huge sums of money annually on education, medical help, construction of roads, charity, religious purposes, water supply, excavation of tanks for irrigation purposes and agricultural and industrial improvements of the country, instances of which are too many to be mentioned here.

Q. 8. By the Permanent Settlement Regulations, the zamindars were expected "to conduct themselves with good faith and moderation towards their dependent taluqdars and raiyats in return for the benefits they will themselves derive from the orders now issued" (Regulation I of 1793, Art. VI).

The zamindars for the most part have conducted themselves with moderation as will be evidenced from the following facts:—

(*a*) Although rent payable by the tenants was not fixed in perpetuity by the Permanent Settlement and the landlords were entitled to enhance the same except in the case of istimari mokarari raiyats yet they did not abuse this power but exercised it within bounds. This will be evident from the fact that the average rent paid by the tenants of the permanently settled estates is much below the rate prevailing in the khas mahals and the temporarily settled estates, e.g., the Sundarbans.

(*b*) By the Permanent Settlement Regulations the proprietors were given unlimited power to settle lands within their estates on such terms and conditions as they liked. This power also was exercised with moderation and the terms of settlement were nowhere harsh or unfair.

(*c*) Cases of ejectment even of those tenants who could not claim any customary rights of occupation were rare except for non-payment of rent.

(*d*) While a large number of proprietors lost their estates for their failure to pay the revenue in time and were completely ruined under the harsh provisions of the sunset law, tenants were not dealt with in that way by the zamindars though realisation of rent from the tenants was never regular nor easy.

Harsh methods of realisation of rent if resorted to by any landlord at any time were simply due to the fact that while the revenue payable by the landlords was high, and failure to pay it punctually was punished with unrelenting hand, the collection from the tenants was small and irregular. But such methods are now things of the past under the present changed circumstances of the country. On the other hand instances are not rare when landlords helped their tenants with cash loans and gave them facility to pay the rent gradually even when they were heavily in arrears. Many landlords have helped many poor raiyats to acquire lands by arranging payment of selami by instalments. In years of scarcity—charities and advances by landlords enabled a large body of tenants to keep their body and soul together.

Q. 9. This question has been answered along with question 7.

Q. 10. The Permanent Settlement was in the interest of the country economically. It replenished the resources of the Company. It stabilised rent. It assured security to the proprietors—and this

had an effect of generating a sense of security among all classes of people. In effect it benefited the whole agricultural population—as it led to expansion of agriculture and increased the wealth of the country. The chaos pervading the country was lifted and people felt relieved and secure as when one feels after a storm or an earthquake is over. Peaceful condition of the country is the first prerequisite of its economic welfare. It is the foundation on which trade and commerce of a country flourish. Bengal became the most flourishing province in India after the Permanent Settlement as Mr. Ramesh Chandra Dutt in his Economic History of India, p. 94, rightly observes:—

"It is the one act of the British nation within the century and a half of their rule in India which has most effectually safeguarded the economic welfare of the people. It is an act which is in consonance with the modern policy of civilised nations to permit the people to profit by their own industries instead of paralysing their industries by an uncertain and increasing State demand. Agriculture has largely extended in Bengal within the last hundred years."....."Since 1793 there has never been a famine in permanently-settled Bengal which has caused any serious loss of life. In other parts of India, where the land tax is still uncertain and excessive, it takes away all motives for agricultural improvements and prevents saving, and famines have been attended with the deaths of hundreds of thousands and sometimes of millions. If the prosperity and happiness of a nation be the criterion of wisdom and success, Lord Cornwallis's Permanent Settlement of 1793 is the widest and most successful measure which the British nation has ever adopted in India."

The interest of the tenant has not in the least suffered under the Permanent Settlement. The right of occupation of most of the tenants has been secured under the landlords that followed the Permanent Settlement. Illegal exactions are things of the past. The rate of rent paid by the tenants, except in certain exceptional areas, is not at all high. It cannot be said that the landlords enjoy the advantages at the expense of the tenants. One is said to secure an advantage at the cost of another when the former wrongly takes or prevents the latter from getting what rightfully belongs to him. This is not the case between the landlords and tenants of Bengal. The rights of each party are well defined and there is hardly any room for encroachment.

Q. 11. In arriving at the figure of 80 per cent. we are afraid the large percentage intercepted by the intermediaries has not been taken into consideration. Then the total rent payable to landholders includes not only rents payable by cultivating raiyats for lands held from the time of the Permanent Settlement but also rents of the vast

lands which landholders had reclaimed, the amount of annual value collected by rent-free holders and the amount collected from under-raiyats.

But even if a very large percentage is appropriated by the zamindars, it is to be borne in mind that under the Permanent Settlement they got only one-tenth of the assets as their profits, and if in the course of a century and a half, lands which were absolutely waste or jungle and did not yield any income at the time of the Permanent Settlement were brought under cultivation, and the lands became more and more productive and the price of produce gradually increased in the course of a century and a half, it is difficult to see how any one can complain that the Permanent Settlement was an unfair arrangement under which zamindars got a very large percentge of the income. A considerable portion of the income returns to the society in some form or other. Expenses of a zamindar for purposes other than personal are not negligible. His charities, donations and contributions to useful institutions are not to be overlooked. The margin between his income and expenditure including the Government and social demands is not very large in most cases.

(*ii*) The system of subinfeudation of tenancies may be said to have been encouraged by the Permanent Settlement, but the Tenancy Acts are no less responsible for its propagation. It is not necessarily always an evil and sometimes it was done of necessity. Some big estates created permanent tenures such as Patni tenures which had the effect of saving the estates. The rent of the raiyat is generally left undisturbed. There may be particular instances when the raiyat is made to pay higher rates. That should, however, be checked.

(*iii*) Landlords have no doubt exercised their right of enhancement but except in certain areas it has not reached a figure which can be called unfair.

(*iv*) The tenants to-day are independent of landlords. If a tenant sends his rent by money order he need not even feel that there is such a thing as landlord or a gomasta.

We do not think that the criticisms are at all justified.

Q. 12. We do not advocate abolition of the Permanent Settlement.

Q. 13. It may be correct to say that the continuance of the Permanent Settlement involves a loss to the State to the extent of about 75 per cent. of the raiyati assets estimated at Rs. 12 crores under the head "Land Revenue." But the remedy suggested cannot be of any avail. It has to be seriously considered whether the abolition of the zamindari system or the cancellation of the Permanent Settlement and

substitution of temporary settlement or the imposition of a tax on agricultural income would ultimately come to the benefit of the provincial finance as a whole.

There can be no question that by a simple mathematical calculation we can get at a favourable figure if the Permanent Settlement or the zamindari system is abolished. The critics conveniently forget that in calculating the loss or gain, the whole resouces of the Province have to be taken into account. The Permanent Settlement has augmented the provincial revenue in various ways. The stamp duty (which was Rs. 355 lakhs in 1928) which is one of the main sources of Government income yields such a figure because of the Permanent Settlement Regulations. The judicial statistics would show that out of the total number of civil suits 60 per cent. are rent suits and a considerable portion of money suits are for "kistibandi" for arrears of rent yielding a huge figure of stamp duty. The sense of security created by Permanent Settlement attracts many people to make investments in lands. The economic necessities of the Permanent Settlement have led to sub-infeudations resulting in the distribution of profits of the landholders among a number of middlemen. The comparative affluence of middle class in Bengal is reflected in income-tax and customs receipts which are much higher than those in other provinces where Permanent Settlement does not exist. The following figures of income-tax and customs receipts in different provinces will speak for themselves:—

(In lakhs of rupees) in 1928-29.

		Income-tax.	Customs.
Bengal	...	615	1,850
Madras	...	131	469
Bombay	...	317	1,921
United Province	...	90	

It can be asserted with certainty that the abolition of the Permanent Settlement will seriously affect these sources of income.

The abolition of the zamindari system will entail a heavier strain on the public finance on account of the cost of direct realisation from tenants. Moreover frequent failures of crops due to flood or drought are likely to make the revenue unstable.

If the management of zamindaris are taken over by the Government they will be under an obligation to maintain the Public Institutions and other acts of public beneficence hitherto financed by the zamindars. If allowance is made on this account, the net result of the transaction,

we are afraid, will not be encouraging at all. Temporary Settlement will involve periodical preparation of record-of-rights at the expiry of a limited period. The costs so incurred will outweigh the profit that may be derived in the shape of an augmentation of revenue. The imposition of a tax on agricultural income is also open to objection in as much as income-tax usually exempts income below a certain amount. As Bengal abounds with small estates, tenures and holdings most of them may not be required to pay any tax at all. It seems, the political agitators have raised a false cry against the zamindari system and the Permanent Settlement without examining with sufficient care the merits and demerits of the innovation they are advocating. It is our considered opinion that any attempts at disturbing the system which worked for such a length of time setting its roots firmly on the social structure of the Province will be ruinous to all.

Q. 14. We cannot advocate the abolition of Permanent Settlement or the zamindari system.

If, however, under any circumstances the zamindari system is abolished, a compensation of at least 20 times of the net annual income and a surcharge of 15 per cent. for the compulsory nature of the acquisition, should be provided for all persons affected.

Q. 16. It will revolutionise the society. The social structure of Bengal has been built on the bed-rock of Permanent Settlement. Investments made, obligations created, public and charitable institutions founded and fostered under the care and financial assistance of the landed aristocracy and the impetus given to art and advancement of learning will receive a rude shock by the abolition of the Permanent Settlement. Chaos and confusion will take the place of peace and prosperity.

Q. 16 and 21. We are strongly against the abolition of Permanent Settlement and zamindari system. If, however, the zamindari system goes there is no sense in retaining middlemen's interests which should also be brought up along with zamindari interest on payment of compensation.

Q. 19. We do not think the raiyats would like to come under the direct control of the Government. We are not aware of any advantages of khas mahal tenants. On the other hand the rate of khas mahal lands are higher. The payment has to be made promptly, otherwise harassing and vexatious methods are adopted. It is most likely that the raiyats will prefer to remain under the zamindars who accommodate them in various ways.

Q. 20. We are of opinion that Permanent Settlement gave an impetus to subinfeudation and creation of permanent tenures by

zamindars. The creation of intermediate tenures by the zamindars have not in any way affected the rights and interests of the raiyat whose obligations to the landlords remain the same whether he is holding directly under a zamindar or under an intermediate tenure-holder. The rights are now well defined and protected by the tenancy legislation and they cannot be adversely affected by the creation of mediate tenures by the zamindars.

The immediate tenure-holders share the profit due to the zamindar, and if any body is a loser by its creation it is the zamindar. But as already stated such tenures were created under necessity. On the other hand by the creation of intermediate tenures there has been a distribution of wealth.

Q. 21. Has been answered with question 16.

Q. 23. Occupancy right of the raiyats was not the same nor so extensive during the Muhammadan period as it is now. The Muhammadan rulers did not disturb the right either by adding to or by taking away any of the rights enjoyed, in the Hindu period, by the tenants when it consisted of merely the customary right to cultivate the land and enjoy the produce, except in some minor details of assessing rent.

The expression "right of occupany" was used for the first time by the legislature in 1859, and instead of the classification of raiyats *into* the khudkast and paikast a new one was introduced more favourable to the tenants and the rights have gradually been developed.

Section 6 of Act X of 1859 (*see* also Act VIII of 1869, section 6) laid down "every raiyat, who shall have cultivated or held land for a period of 12 years, shall have a right of occupancy in the land so cultivated or held by him,..... so long as he pays the rent payable on account of the same."

The privileges attached to this "right of occupancy" are considerably inferior to those of the owners of property. Before the amendment of 1928 this right was not transferable except under local custom but was heritable though not bequeathable.

In default of heirs the right was extinguished and the landlord became entitled to possession and to settle the land with other raiyats (*see* Act VIII of 1885, section 26: also 8 W. R. 60 Jateeram-v-Mangloo).

His right to use the land was restricted. He could use it without materially impairing the value of the land or rendering it unfit for cultivation. He had no right to dig tanks or erect any substantial structure. In the Hindu period society was not as complex as it is to-day. Population was small and the uncultivated area was vast. There were not enough tillers for the culturable land available. The

position was therefore simple. Cultivation was a necessity. All that the landlord had in those early days to insist upon was cultivation. So, "the right to possess and cultivate the land on regular payment of rent" which are the incidents of occupancy right when it was first introduced (under British rule) might not have been ever questioned and the cultivators enjoyed these rights in the Hindu period.

But at the same time we have to note that while the cultivator had the right to occupy and cultivate the land held by him yet there are provisions in the Hindu system which go to show that the position of the cultivator was less secure than it is to-day when he can hold on with impunity or without fear of eviction a plot of land which he may or may not cultivate as he chooses.

Raiyats who took land and did not cultivate were, for this mere neglect of duty, punished or ejected. Vyasa says in Vivada Ratnakar:—

ক্ষেত্রং গৃহীত্বা যঃ কশ্চিৎ
ন কুর্য্যাৎ ন চ কারয়েৎ।
স্বামিনে তৎফলং দাপ্যো
রাজ্ঞে দণ্ডস্ত তৎ সমম্॥

translated it reads:—

"If a man after taking a field with the object of cultivating it fails to do so, either himself or through the agency of others, he should be made to pay to the owner a proportionate share of the corn which the field could have yielded if it were cultivated and, in addition, a fine to the king." Narada also has laid down in Narada Smriti Chap. XI 24:

বিক্রয্যমানে ক্ষেত্রে চেৎ
ক্ষেত্রিকঃ পুনরাব্রজেৎ।
খিলোপচারং তৎ সর্ব্বং
দত্ত্বা ক্ষেত্রমবাপ্নুয়াৎ॥

Translation:—"When a field is abandoned by its owner without opposition, the cultivator is entitled to the whole of the produce and the owner would not get back the land without paying the cost of the clearance and cultivation." Jajnavalka says—Jajnavalka Bombay edition, p. 218:

ফালাহৃতমপি ক্ষেত্রং
যো ন কুর্য্যাৎ ন কারয়েৎ।
স প্রদাপ্যোঽষ্ট ফলং
ক্ষেত্রমন্যেন কারয়েৎ॥

"When a man does not cultivate, either himself or by means of others, he should be made to pay to the owner of the field the amount of grain which the field would have yielded if it had been duly sown with crops." Manu also says in Chapter VIII, Sloka 243—

ক্ষেত্রিকস্যাতয়ে দণ্ডো
ভাগাদ্দশগুণো ভবেৎ।
তদোর্দ্ধং দণ্ড ভৃত্যানাং
অজ্ঞানাৎ ক্ষেত্রকস্য তু॥

Translation:—"In case of damage to crop on account of the negligence of the land owner he should be fined ten times the king's share of the produce; if such damage has been caused by the negligence of the servant of the owner of the land and without the knowledge of the latter then the owner should be fined half of the above.

In Kautilya's Arthasastra Chapter 1, 47 we find the provision "Land may be confiscated from those who do not cultivate them and given to others; or they may be cultivated by village labourers and traders, lest those owners who do not cultivate them might pay less." In the same passage of Kautilaya we find the provision—"Land prepared for cultivation shall be given to tax-payers *only for life.*"

These and similar provisions go to show that the raiyats had no such indefeasible right in the land as they have to-day. Their right of occupation might be extinguished not only for non-payment of rent but also for not performing cultivation properly.

In the Hindu system they had no right of transfer. The raiyats were only entitled to enjoy the usufruct subject to the payment of rent.

Q. 24. Has been answered with question 4.

Q. 25. We are not in favour of confining the right of occupancy to actual cultivators only.

Q. 27. It was the intention of the Permanent Settlement Regulations to protect all classes of subjects including non-agriculturists, as it appears from Articles 6 and 7 of Regulation 1 of 1793 which reserve the power of the Government to enact such laws for the protection of the dependent talukdars, raiyats and other cultivators of the soil, and these certainly included non-agriculturist tenants. We suggest that occupancy right should be given to non-agricultural tenants as well.

Q. 28. Right once vested should not be divested, and the right of occupancy once acquired should not be taken away merely because the land or any portion of it has been converted to use for non-agricultural

purposes. This will give rise to complications and will put a restriction on the occupancy raiyats to use their land say for shop purposes or for cottage industries, etc.

No additional tax should be levied on account of such conversion.

Q. 29 and 30. We have no authentic data. It may be that the number of bargadars is increasing and that due to the following causes:—

(I) The cultivators are losing the lands owned by them owing to—

(*a*) poverty caused by the fall in the price of agricultural produce;

(*b*) deterioriation of soil affecting productivity;

(*c*) unrestricted right of transfer conferred by the Bengal Tenancy Amendment Acts of 1928 and 1938.

(*d*) the operation of the Bengal Agricultural Debtors Act which has practically destroyed the sources of credit necessitating the transfer of lands for the purpose of raising funds in times of need.

The cultivators so deprived of their lands are taking to barga in order that cultivation may be economical and also to make up the deficiency of their income.

(II) As a result of fall in prices without any appreciable fall in the wages of labourers many non-cultivating raiyats who used to cultivate lands by employing hired labour find it profitable to let their lands in barga thereby creating a demand for bargadars.

(III) Migration of the non-cultivating bhadralogue raiyats to towns leaving the lands in charge of bargadars.

(IV) The lands sold for arrears of rent and made khas by landlords are let out in barga when zamindars find it difficult to resettle the lands with the orginal tenants or other persons. It may be noted that the latter sometimes prefer barga to tenancy right because there is no risk or investment of capital expenditure involved in barga.

We fail to see how the denial of statutory right to bargadars by the Amending Act of 1929 could increase their number.

Q. 31. A majority of the bagadars also hold land in raiyati or under-raiyati right. They take in addition to their raiyati land such quantity in barga as would make up the area sufficient for a plough, i.e., about 15 bighas. So it is not possible to say what area of land is normally held by a bargadar in bhag. That depends on what area he holds in raiyati or under-raiyati holding, the condition of his cattle and his own capacity.

Q. 32. We do not see any necessity or principle why "Occupancy right and other rights" should be extended to bargadars. Those who take land in barga are not ill-treated in any way. The bargadars are the masters of the situation and we cannot conceive of any hardship they have to undergo. They themselves nurse no grievance and are contented. As Mr. Sachse rightly observes in his Mymensingh District Gazetteer at page 69. "Nearly all the bargadars have jote lands of their own. They employ their surplus ploughs in cultivating the lands of widow neighbours or of those who have lost their cattle. If the owner wishes to oust them there are always others glad to give them new lands on the same terms. On the other hand there are many who have cultivated the same lands on those terms for generations.....They are an unambitious class and apparently quite content with the profit they get. Generally speaking the bargadars and their landlords are on good terms". And at pages 45-46 in his Mymensingh Settlement Report—

"So far as we saw in the mafassal, the system (barga) works with remarkable smoothness and we never hard any quarrels about the distribution of the crops or the disposal of the by-products."

So to imagine grievances where there are none and to provide remedies therefor, always create trouble and secure no benefit.

The barga system is in existence in this country for a long time. We find references to it in Manu, Chapter IV, 253, in Bishnu Chapter 57, sloka 16, we get আর্দ্ধিকং and Jajnavalka Achara Adhyaya, Sloka No. 166, অর্দ্ধসীরী meaning a cultivator who takes half the crop in return of labour.

In Kautilya's Arthasastra, Chapter XXIV, 118, we get—"Fields that are left unsown owing to the inadequacy of hands may be brought under cultivation by employing those who cultivate for half the share of the produce; or those who live by their own physical exertion may cultivate such fields for 1/4th or 1/5th of the produce grown."

From the earliest time up to the present day this system is in existence. No body ever thought of giving the bargadars a raiyati right. It is since 1928 that suggestions are being made in responsible quarters that they should be given a right of occupancy.

In our opinion the bargadars need no protection. It has never been the practice among non-cultivating raiyats to change bargadars. As a matter of fact in most cases the same bargadar has cultivated the same land throughout his life and after him his son if there was one capable of carrying on cultivation. No body ever thinks of a change unless in exceptional cases where the bargadar is highly dishonest or

incapable. The barga system has been working smoothly. In most cases the owner raiyat does not consider it necessary to have anything in writing from the bargadar evidencing the contract between them. The relationship between them was and is still cordial. But in some places discord and disaffection are being created between the two classes who are interdependent and should live together in harmony as all members of a village community should. As already stated the bargadars, in our opinion, need no protection.

Q. 33. The barga system is a sound system. It is a simple partnership between the owner and the labourer. While the owner is to supply the land and in some cases seed and (or) manure, the cultivator supplies labour and cattle, etc. Those living in villages and depending on the produce of the land let out in bhag, bestow time and attention to supervise cultivation. The owner and the bargadar take in most cases half and half. The owner has to pay the landlord's rent and cess, etc., out of his share. When a bargadar has worked the same land for some time the owner is ready and willing to assist him in his times of trouble.

On principle the barga system is sound, simple and fair to both and is a social necessity. The system is in existence in some form or other in every part of the world even in countries like Italy, Australia, United States, France, Spain, Portugal and other places where agricultural improvement has reached its height.

The only difficulty now is that raiyats who have some lands of their own, devote more attention to them and much less to the lands taken in barga. They do not cultivate such lands in time nor do they weed the fields properly when necessary. Paddy is not timely reaped. These result in loss. Those cultivators who have no land or only small holdings of their own take proper care and attention of the lands taken in barga. Except for the negligence of some of the cultivators there is no other ground to hold that the system is not economically sound. The fear of being turned out of the land is a salutory check to any negligence in cultivation or dishonesty on the part of the bargadar.

The system is also economically sound to the bargadar himself. He has not to lay out capital to secure a plot and to pay the rent and so runs no risk or failure of crop. A bargadar is certainly economically better off than a mere agricultural labourer.

Q. 34. If bargadars are given occupancy right—the result will be a sudden dislocation of the social structure. It will not prove to be of any standing benefit to the bargadars or to the society at large. It will only impede the movements of both the owners and the bargadars. It will create much discord.

We presume that when the words used in the question are "Occupancy right" the right that is meant to be given includes all the rights of an occupancy raiyat as enjoyed to-day. If so, the effects will be:—

(1) The occupany raiyat, whose land the bargadar takes in bhag, will be deprived of his right as there cannot be two owners of the same land with identical rights independent of one another. In fact, it means forcing out the existing raiyat and replacing him by another. Such things cannot have healthy effect on society and the State will be running against its first duty which is to preserve the sense of security among the subjects.

(2) The bulk of the population lives in villages. All of them are not cultivators but most of them hold lands in raiyati or other rights. It is on the produce of these lands that the non-cultivating population of Bengal depends for its livelihood. Most of these raiyati holdings are not very large and yield only one crop a year. It would be unprofitable to maintain servants and bullocks all the year round for cultivation of these small raiyati holdings. The only way of deriving some income out of these lands is by letting them out in bhag.

(3) The expenses of many religious institutions and worship of deities are met from the produce of lands dedicated or appropriated for the purpose. These lands are in most cases let out in bhag. To carry on the cultivation of these lands by hired labour will not be possible for want of supervision and management as it would be expensive; and where the holding is small, it would be quite unprofitable.

(4) To give bargadars a right will not only adversely affect the non-cultivating raiyats but the cultivating raiyats as well. A cultivator holding say 10 bighas of land in occupancy right dies leaving an infant and a widow. None of them can cultivate the land nor supervise cultivation. The widow cannot let out the land in bhag because the bargadar will then acquire a right and the minor, when he comes of age, will not be entitled to get it back. To carry on cultivation of these 10 bighas of land with hired labour and cattle is out of the question because the cost will be much in excess of the income.

(5) A large majority of Brahmins, many of the Brahmattorders, live on the produce of land. Religion prohibits Brahmins from cultivating lands with their own hands. The sage Parasara says that they should cultivate through others (Chapter 2, Sloke 2). To deprive them of their present right in land would be to deprive them of their means of livelihood.

(6) When law seeks to create some right which is opposed to or not supported by custom or usage, it must be based on very strong reasons. Moreover the principle underlying such law must be capable of being uniformly applied, (and must not be inconsistent with the existing system of jurisprudence).

If the bargadar is to be given a right to the land merely because it is by his labour that the produce is obtained from the land, why should not coolies working in coal mines be given right to the mines because it is by their labour that coal is extracted. The same principle may apply in other cases, e.g., in mills, factories, etc.

Q. 35. Generally, the proportion is one-half but it varies in localities and depends upon the rules regulating demand and supply. No maximum limit should be fixed by law but it should be left to be adjusted according to local conditions. We think the fair proportion would be one-half.

Q. 36. Wages of agricultural labourers vary in different localities. Generally it ranges from four to five annas but in the harvest season and jute cutting and steeping season it rises even as high as twelve annas or even more. Their economic conditions are somewhat similar to those of under-raiyats holding small areas and bargadars but the latter have cattle and plough and are of a higher status.

Q. 37. Originally occupancy right was a personal right attached to the status of the raiyat rather than a right in the soil. It was heritable but not alienable, except under exceptional circumstances and even then if local custom permitted it and landlords consented to the transfer. The Hindu idea was that "land once acquired was property which was for benefit of all generations to come." The Muhammadan rulers had not disturbed the rights of the raiyats cultivators either by adding to or by taking away from them though the amount of rent had been increased. Under the British rule the right of occupancy was introduced in 1859 when it did not differ much in principle with what existed before. But by gradual statutory enlargement the occupancy right which was a personal right has now become a right in the soil. We are of opinion that the unrestricted right of transfer given by the Act of 1928 has led to fragmentation of raiyati holdings, owing to the free exercise of the right by the raiyat. The Act of 1938 which gives the raiyat wider rights of transfer, will, we believe, increase the tendency of transfer and thus tend to dwindle his holding still further. The majority of the purchasers are however agriculturists though all of them are not actual cultivators themselves. Persons who are not actively interested in or dependent on agriculture have in most cases purchased only when compelled by circumstances such as in satisfaction of loans advanced. We are strongly of opinion that the right of transfer has been and will continue to be prejudicial to the interest of the cultivating raiyats and also to cultivation in general. It is in effect a suicidal right, i.e., a right which deprives the cultivator of his only means of subsistence. So we are opposed to any right of transfer being given to the cultivating raiyats who are ignorant of their own interest. To restrict transfer

only to agriculturists will not be practicable and furthermore it will be prejudicial to the interest of the transferor inasmuch as the value of land will, in consequence, naturally considerably fall down.

In our opinion it will be serving the cultivator's interest best to deny him the right of transfer and secure him the right of occupation and enjoyment of the land.

Q. 38. The size of an economic holding is, in our opinion, 5 acres.

Q. 39. The size of many raiyati holdings is uneconomic. All the causes suggested are tending to further subdivision and fragmentation of holdings.

Q. 40. In our opinion consolidation of holdings is desirable but not practicable without taking recourse to exproprietary legislation to which we are opposed on principle, as it tends to shake the sense of security which cannot but lead to social unrest. We would however suggest that means should be devised and steps taken to prevent further fragmentation of holdings.

Q. 41. Consolidation of holdings by exchange should be a matter of amicable settlement. It ought to be encouraged by all means excepting by legislation. We have expressed our views on this subject in our answer to question 40.

Q. 42. We are not opposed to accumulation of large areas in one particular hand. Landed property is by nature such that in order to derive some income out of it one has to employ others and thereby share the income with them. The only apprehension is that it may lead to rack-renting. But to prevent this we would suggest that just as the maximum rate of interest has been fixed by the Money-lenders' Act, a maximum limit to rent should be fixed, making exaction beyond that limit punishable.

This will discourage holders of large areas from letting out the land on cash rent. The only other way by which he would be able to utilise th land will be by letting it out in bhag or by cultivating it with his own plough and hired labour. If he takes recourse to the former, those employed will be working under a well tried system and have no apprehension of being exploited. If the latter, the labourers will get wages at the rate prevailing at the locality. The landholders' interest in either case will be to see that cultivation is properly done and he will of necessity have to devote his attention to cultivation. This will necessarily improve cultivation.

Q. 43 and 44. Coparcenary is detrimental to good cultivation. Cultivation suffers not because there are too many persons to enjoy the usufruct but because of the splitting up of the area into uneconomic

holdings. The only way out of it that appeals to us would be to keep the land a joint family property with the eldest male member of the family at the head of management, who will manage cultivation and distribute the usufruct less the cost of cultivation and other incidental charges among the members according to their respective shares.

Q. 45. Insistence on joint collection will give rise to complexities. No such legislation compelling joint collection should be undertaken.

Q. 46. There is nothing in the Regulations to show that the rents of raiyats were intended not to be liable to enhancement. The only class of tenants protected from enhancements were "istemrardars" who had held their land at a fixed rent for more than 12 years and those whose rents were not enhanceable under contract (Article 49, Regulation VIII of 1793). In the absence of any similar protection for other raiyats, it cannot be said that the Permanent Settlement did not contemplate enhancement of rent. As a matter of fact rent by its very nature is enhanceable.

Q. 47. We do not think so. Fixity of rent was not provided for in any case excepting in the case of istimraridars as stated above.

Q. 50. That the Government provided for enhancement of rent by subsequent legislation clearly indicates that it had never been the intention of the Government to keep the rents of tenants unalterable.

Q. 51. Future settlements of waste lands were never intended to be made at the pargana rate as will sufficiently appear from the provision of Article. Regulation VIII of 1793 which empowers the zamindars to settle such lands "in whatever manner he may think proper."

Q. 52. In determining fair and equitable rent the following factors should be taken into consideration:—

(*a*) Quality of land and its productivity.

(*b*) Kind of crop for which the land is suitable.

(*c*) The situation of the land.

Customary rates as obtain in present times were fixed with reference to the above factors and as a result of experience. Rents so fixed cannot but be favourable to both the landlord and the tenant. We therefore recommend that customary rates should not be disturbed.

Competitive rent is open to serious objection. Rent fixed by competition tends to be so exorbitant as to be beyond the capacity of the land, and the landlord may also find it difficult to recover the same. Thus in the long run both the parties are likely to lose.

"Economic rent" and a definite share of the produce cannot be supported inasmuch as in both the cases the recoverable amount would be unstable and the appraisement will create troubles and complexities.

A percentage of the market value of the land is also difficult to arrive at. Such assessment is apt to be arbitrary. In the first place, the market value may not be correctly determined and secondly the percentage to be fixed may be unfavourable to one party or the other.

Q. 53. It is generally at the customary rate fixed with reference to the above noted factors that rents are paid by cultivators. These rates vary according to various classifications of land. During the Hindu period the customary rates were based on certain share of the produce varying from one-twelfth to one-sixth according to circumstances.

From an examination of zamabandi papers which were prepared by Government as well as by private zamindars about hundred years ago in the districts of 24-Parganas, Nadia, Jessore, it is seen that assessment of rent was based on classification of lands according to the crops they yielded then. The major divisions were three—

(1) Bastu or Vita (homestead).

(2) Sali.

(3) Suna.

The minor divisions under the last two heads were four, viz., awal (first class), doem (second class), soem (third class), chaharam (fourth class).

The above classifications and subdivisions were made according to the quality, situation of the lands and the quantitative yield and nature of the crops that were raised on the land. Vita or bastu land (homestead) fetched the highest rent in most of the Bengal districts. In the district of Barisal, Dacca, Murshidabad and some others the classifications and the divisions of land for the purposes of fixing fair rent were many more. But it may be said that lands are generally classified under three heads of awal, doem and soem, i.e., first class, second class and third class according to the situation and productivity and assessed with rents prevailing in the locality for the respective classes. Competition also plays a part infixing the rent but such cases are rare. Rates sometimes vary for lands of similar value in adjoining villages.

Q. 54. No, it has not been our experience that the poorer and weaker tenants pay higher rents in many estates.

Q. 58. According to Sastric injunctions every piece of land is liable for a certain share of produce as "vali" or rent to the king. The idea of taxing the income was unknown in ancient time but "sulka" or tax on trade and commerce was in vogue. There is no reason why a tax on agricultural income should be substituted for rent in supersession of established usage and custom based on Sastras. Moreover, the proposed innovation cannot have any advantage over the present system. Tax on agricultural income will be unstable. In years of scarcity the public finance is likely to be seriously affected. If income below a certain limit be exempted from the tax, a large number of persons holding lands will escape from the liability altogether resulting in a serious loss of revenue. Tax on agricultural income cannot be supported on any ground whatsoever.

Q. 61. Enhancement on the ground of rise in prices is, we think, based on a sound principle, inasmuch as such enhancement brings about a stability and an equilibrium in the social order. None of the parties concerned is subject to any loss by such enhancement.

Q. 62. Yes. No distinction is practicable.

Q. 64. No.

Q. 77. The general policy of the Government and land system are partially responsible for the uneconomic condition of the raiyats. The reasons are:—

(*a*) As a result of fragmentation of holdings due to unrestricted transfer, and subdivision of tenancy as provided by the Bengal Tenancy Amendment Acts of 1928 and 1938 and the operation of the law of inheritance the size of an average holding has been considerably reduced so as to render it uneconomical.

(*b*) Accumulation of arrears of rent has been made possible by the Tenancy legislation, ultimately bringing ruin upon the tenants.

(*c*) There is nothing in the Tenancy laws to compel the tenants to conform to the rules of good husbandry with the result that they sometimes neglect their duties.

(*d*) The recent tenancy legislations have given an impetus to litigations and estranged the feeling between landlords and tenants.

Q. 73. We have got no evidence to show that the productivity of Bengal is generally on the decrease but we think it is so. The main reasons that strike us most are (*i*) want of application of proper manure, (*ii*) practice of putting the same land under crops generally of the same kind every year without giving it any rest—a necessity arising out of insufficiency of lands in a particular hand, (*iii*) soil

deterioration by deposit of sand in some areas owing to excessive rush of water through the insufficient passages left of water-courses and rivers by railway bridges, (*iv*) drying up of rivers owing to obstructions caused by the railways resulting in (*a*) deprivation of some areas from the advantage of natural manuring caused by the deposit of silt owing to inundation, and (*b*) the denial of irrigation facilities hitherto afforded by those rivers and the connected water-courses, (*v*) want of proper irrigation facilities.

Government has done practically nothing to improve the fertility of soil. The Agricultural Department seems to be a failure. The report of the Royal Commission on Agriculture also says that "the agricultural departments are not yet in a position to give definite advice in regard to economic use of fertilisers." The distribution of manures and improved seed by the department has been like a drop in the ocean.

Q. 80. The income of the cultivators may be increased by all the means suggested in the question excepting that for establishment of a system of cattle insurance which we do not think would be practicable in this country. Cultivators are generally very conservative and they would not take to any new mode of cultivation or the cultivation of any new crops for any amount of pursuasions. If however Government starts small agricultural farms in every union and demonstrates the improved methods of cultivation of the common as well as of new profitable crops to the cultivators and proves that the Government method is unquestionably more paying, it is expected the cultivators will take to those methods and profit thereby. Without such practical demonstration in the very eyes of the cultivators, no amount of lecturing propaganda will come to any use. Good arrangement for marketing commodities will add considerably to the income of the cultivator. Co-operative marketing organisations should be started in every union. Legislative measures should also be adopted to fix the minimum prices of industrial crops, such as jute, sugarcane, etc.

Cottage industries should be organised on co-operative lines and financed by the Government. Unless there is a strong organisation to back them up, they will in no time be crushed in these days of keen competition.

Q. 81. Over-population may be one of the causes of distress but that does not seem to be the main cause. There has been over-population in certain districts but the population in other districts is thin enough to accommodate more men. We find from Season and Crop Report of Bengal 1934-35, that the area of the culturable waste in the province is about 1/4th of the net area cropped. These waste lands may be brought under cultivation to relieve the pressure in certain areas.

If that is done the area of culturable land per head of agricultural population comes to about 1·05 acres. This area of 1·05 acre does not seem to be quite insufficient for maintaining one man provided it is well cultivated. So we think the question of over-population has not yet reached a hopeless position, though it has reached perhaps the maximum limit in respect of the agricultural need of the province.

Q. 82. The way to relieve the pressure would be to bring the waste lands under cultivation and to organise cottage industries as well as large factories. Fruit growing, poultry farming, dairy farming should also be encouraged. Dying and dead cottage industries should be revived, and good marketing arrangements should be provided for. Government should take the initiative in all cases and help the organisation with men, money and other resources before private assistance may be expected to be forthcoming.

We do not think that starting of only big industries will be of any considerable use unless small home industries are also organised.

Q. 83. The operation of the Bengal Agricultural Debtors Act has dealt a death blow to agricultural credit. Private money-lenders who supplied perhaps 90 per cent. of the credit have of necessity stopped advancing loans and the Loan Offices have closed their doors. The Co-operative Department, which has turned itself in this province to an ordinary money-lending institution, is far from being in a position to meet the vastness of the problem. There is practically no organisation either Government or private which can effectively tackle the question. Our suggestion is to start Government banks in every subdivisional town for the purpose of advancing short term loans to agriculturists.

Q. 85. The co-operative credit societies have failed in tackling the credit problem of the agriculturists. They have turned into ordinary money-lending institutions and advanced money to the agriculturists regardless of the principle of co-operation. The result has been that they have added to the indebtedness of the peasantry.

Q. 87. We support this view.

Q. 89. The machinery for realisation of rent is really very costly and cumbrous. The effects are that the payment of rent is delayed beyond all measure causing great hardship to the landlord, and also that it saddles the tenants with heavy costs of suit. Provision for enforcing prompt realisation of rent by some summary procedure though may seem at the first sight to cause hardship to the tenant, is really a matter of distinct gain to him in the long run as such provision prevents accumulation of arrears of rent which ultimately tends to deprive

him of his holding as he naturally finds himself unable to clear off the heavy arrears with his scanty resources. So in our opinion some provision for speedy realisation of rent would be beneficial both to the landlords and the cultivators. It may be noted that certificate procedure is no less dilatory and costly. The method to be adopted should be cheap and expeditious.

Q. 90. Recovery of rent through the Public Demands Recovery Act which has of late been taken away could not improve the situation. In the first place the procedure is not less costly . Experience has shown that by distress warrants the arrears cannot be successfully recovered. In most cases immovable properties have to be proceeded against. Such proceedings are as much dilatory as the ordinary Civil Court proceedings. The court-fees calculated at the rate provided for Civil Suits are required to be paid. This fee is payable by the tenants. But in practice the landlord is made to pay in view of the fact that chances of cash realization of dues from the tenant are few and far between.

What is needed is the abolition of the dilatory process whether the proceedings are taken in ordinary Civil Courts or in certificate courts. The procedure should be simplified and court-fees should be realized at a concession rate.

Reply by the Bengal Mahajan Sabha.

Q. 3. It cannot be denied that the Permanent Settlement has been of great value in shaping the social and economic structure of Bengal but the zamindars as a class did not take any lead in the economic development of the country as such.

As more and more waste lands began to be cultivated by the increasing population, the landlords took their share of the increase in the production and took nazarana as settlement of the rents of the new lands. Thus after a few years of the Permanent Settlement, when they had been able to consolidate their position against the risks of the Sunset Law, they began a career of mere enjoyment of profits. They even gradually divested themselves of the trouble of direct management and created leases and taluks which have culminated in uneconomic and almost endless subinfeudation.

With the passing of the Regulation VIII of 1819 and other regulations, the security of the landlords' rights increased. The laws of inheritance helped in the fragmentation of the landlords' interests and a career of enjoyment of profits without worry attracted investment of all surplus money in loans on the security of landlords' interests. This has gone on to such an enormous extent that all surplus money even in the hands of all professional men went towards the mortgage and purchase of landlords' interest.

Thus the system instead of helping the economic and industrial development of the province, has rather retarded the economic growth thereof.

Q. 4. This is a controversial question and now, more or less of an academic and historical interest and no useful purpose will be served by going into the matter at this stage.

Q. 5. *Vide* answers to questions 3 and 4 above.

Q. 6. The expectation has not been fulfilled. The large increase in the area brought under cultivation since the Permanent Settlement is due mainly to the increase in population and the enterprise of tenants, which was the outcome of the struggle for existence.

The zamindars as such has no initiative in the matter. But the fact that they lived in the villages and spent the major portion of their income in luxuries and other amenities of life, available in the village indirectly helped the tenants in their enterprise. Even their extravagance, so long as it was confined to their village, bettered the economic condition of the tenantry.

But since 1877 the landlords gradually changed their venue of expenditure and extravagance to the cities, which along with other causes, led to the present deterioration of the economic condition of the country.

Q. 7. None of it can be ascribed only to the industry and good management of zamindars. The increase is mainly due to the increase in cultivation and re-cultivation of waste lands by the efforts of the tenants mainly. An increase of about 2 crores may be ascribed to enhancement of rents.

Q. 8. From 1793 down to 1827, the tenants had the upper hand and the Government had to come to the rescue of the zamindars in the matter of realisation of rents from tenants. The zamindars were then merely trying to consolidate their position against the rigorous of the Sunset Law and also against the rigorous of the *quid pro quo* (*a*) and (*b*), mentioned in question 1.

From 1827 to 1873 the position changed and the zamindars tried to assert themselves, the result of which was the agrarian riots of 1873 and the appointment of the Rent Commission of 1879, which culminated in the Bengal Tenancy Bill of 1883 and the Act of 1885.

Q. 9. *Vide* answers to questions 3, 6 and 7 above.

Q. 10. No. From its very inception the Permanent Settlement was not in the interest of the country economically nor for the greatest good of the largest number, nor has it led to a revenue system which is to the benefit of the province. Its object was to ensure the collection of revenues of the East India Company.

Q. 11. (*i*) No.

(*ii*) and (*iii*) Yes.

(*iv*) It was true to some extent in the middle of the nineteenth century, but the position has substantially changed since then.

Q. 12. The abolition of the system may be necessary on grounds, not at all covered by the grounds mentioned in question 11.

Q. 13. The continuance of the Permanent Settlement involved not only a loss to the extent of over 75 per cent. of the raiyati assets, but the major portion of the assets is at present uneconomically filtered away. This can be removed by (*i*), *i.e.*, by the total abolition of the zamindari system including all subinfeudations and acquisition of all agricultural lands by the State for economic planning of agriculture and not by (*ii*) and (*iii*).

(*iii*), *i.e.*, the imposition of tax on agricultural income, can only lead to harassing complications, and forced sales, which will not result in any economic amelioration of the country.

Q. 14 and 15. Compensation should be paid to the zamindars and the under-tenureholders and raiyats *pro rata*, as follows:—

(Gross Rent Roll) minus (the Rent or Revenue payable to superior landlord or to Government plus 12½ per cent. of the gross rent roll as Collection Charges, plus his share of the Cesses payable) should be the basis of compensation.

20 times of the above should be paid as compensation.

This should be given in 3 per cent. debenture bonds, repayment to begin after 5 years; in the meanwhile the 3 per cent. interest should be paid quarterly.

But in cases of purchasers of proprietary interests of lands, on sales for arrears of revenue, cess or rent and also in execution of mortgage or money decrees, since the 1st January 1929, which can be taken as the beginning of the era of depression, compensation should be paid on the basis of their purchase money together with simple interest at 10 per cent. per annum from the date of their respective purchases.

It is estimated that the total sum thus required would be more than 100 crores, which should be redeemable in 55 years, after the first period of 5 years.

Q. 16. It will increase middle-class unemployment, which is not without remedy.

Q. 17. Yes. The whole structure of economic amelioration will be frustrated if the raiyat does not come directly under the Government on the basis of a new settlement.

Q. 18. The system of collection should be simplified generally on the lines of Regulation VIII of 1819 and should not cost more than 5 per cent. of the gross collection.

Q. 19. Under the present conditions, the raiyats may not, as human nature is averse to drastic changes. But eventually the raiyats will be benefited by the system, if the administration is moral, sympathetic and alert in case of distress and natural calamities.

Q. 20. Answered above.

Q. 22. The homesteads should be left to them rent-free and the khas lands, under actual cultivation by them, should be dealt with in the same way as the lands of raiyats.

Q. 23 and 24. It is a question of historical interest and is of little practical value now.

Q. 25 and 26. Occupancy right should be confined to the tenant actually cultivating the soil.

Q. 27. Except in the case of homesteads, non-agricultural tenants should not be given occupancy rights.

Q. 28. There should be an additional tax on all converted holdings on the basis of income.

Q. 29. Yes. Mainly on account of purchase of holdings by creditors.

Q. 30. Yes.

Q. 31. The area normally held by the bargadar is to the extent of the capacity of his plough. Majority of the bargadars are themselves raiyats and under-raiyats, as they have to take lands in barga, owing to their own holdings being uneconomic.

Q. 32 and 36. The barga system is the result of the fragmentation of holdings. This should be remedied and prevented, so that nearly all bargadars may have economic holdings and the bhadraloks will have their own ploughs, worked by paid labourers.

Q. 37. Yes. All voluntary transfers should be absolutely prohibited.

Q. 38. 3 acres plus one-fourth acre for the homestead.

Q. 39. Yes.

Q. 40 and 41. Consolidation of holdings is desirable and practicable and it can be brought about by giving special facilities to the cultivator to consolidate his holding by exchange or increase in its size by purchase, with the help of State funds. This can be spread over 5 to 10 years to enable State funds and State administrative machinery gradually to acquire the surplusage of the uneconomic or the profiteering large areas in the hands of single individuals.

Q. 42. Yes; the limit should be the extent of the capacity of his plough, with which he can profitably cultivate his whole economic holding, with his own labour, with the assistance of the members of his own family without incurring any cost of production, i.e., 3 acres.

Further increase on that area should be prevented by legislation, which should also prohibit absolutely transfer of raiyati holdings.

Raiyati holdings should be—

(*a*) absolutely non-transferable, non-mortgageable, and non-partiable;

(*b*) heritable, by one recorded nominee of the last holder; or by the eldest or the youngest in the absence of such record;

(*c*) liable to sale for non-payment of rent.

If any raiyat by his thrift accumulates sufficient funds, he will be in a position to acquire other holdings for his other sons or dependants, at the sales held for non-payment of rent, by impecunious, lazy or improvident raiyats.

Q. 43. Certainly it is detrimental to good cultivation and this can neither be minimised nor prevented except by change in the law of inheritance.

Q. 44 and 45. In the scheme above adumbrated, estates and tenures will cease to exist and there will not be any difficulty in collecting the rent.

Q. 47. No. On the language of the Regulations and subsequent Acts.

Q. 48. Does not arise.

Q. 49. There is no case for reducing the rents of tenants, and any attempt to take back the economic situation to the position obtaining at the time of Permanent Settlement, would be futile.

The grievances, if any, will be sufficiently remedied by the procedure adopted in the scheme adumbrated in these answers.

Q. 50. The prices of staple food crops have been accepted as a sure criterion for judging the economic position of the cultivators all over the world. To fix the incidence of taxation permanently to the condition prevailing in the eighteenth century, when rice was selling at 30 seers per rupee and ghee was selling at 3 seers per rupee, would be economically unsound.

Q. 51. No.

Q. 52. All the six systems have been examined from time to time since 1776 and have been found, more or less, unsuitable.

In this scheme it is suggested that the rent of the raiyati holdings should be fixed uniformly, except that it will be subject to alteration on account of rise or fall of the price of staple food crops. This would leave sufficient surplus in the hands of cultivators, whose holdings demand more industry, as in the case of holdings yielding double crops. Even in the case of single-crop-yielding holdings, the cultivators will have enough leisure left to be engaged in remunerative subsidiary occupations.

Q. 53, 54 and 55. Rent should be fixed at a uniform rate of Rs. 2 per bigha, throughout Bengal; this is based on a consideration of the productivity of the land and the cost of living of the cultivating unit. It will mean no hardship to any class of tenants, and as the rate is to be fixed per bigha at a uniform rate, no fresh record-of-rights would be necessary. A fresh and final record-of-rights will have to be prepared after the consolidation and adjustment, as contemplated in answers to questions 40 and 41, have been completed.

Q. 56. No.

Q. 57. Yes; as above. The period of revision should be every fifteen years.

Q. 58. No. Yes.

Q. 59. Not necessary to go into it.

Q. 60. Yes.

Q. 61. No.

Q. 62. In the new scheme suggested, this class of tenants will be non-existent.

Q. 63. In the scheme suggested, the rent being uniformly fixed, this question does not arise.

Q. 64 to 71. Consideration of these questions becomes unnecessary, if the new state of things is brought about by the changes suggested above.

Q. 72. This varies according to the districts. In low lands of the jute producing districts, where no manuring is used, the average yield, per acre, is as follows:—

Jute—20 maunds; Paddy—20 maunds.

In high lands, the yield is higher, and manuring is used. In western Bengal, where a single crop of paddy is grown, the yield is 36 maunds. The yield of jute can be materially increased by the use

of properly grown seeds, which are now generally collected from rejected and weaker plants.

The cultivation of sugarcane has not yet become very extensive.

The cost of cultivation is the cost of the cultivating unit, as adumbrated in the scheme above.

Q. 73. Yes; for want of proper use of manuring and improved seeds, as also the want of fluvial deposits, due to the moribund condition of the inland water-courses of Bengal. The Government have been negligent in taking any steps to improve the situation.

Q. 74. Not to any material extent. The reason is the want of a properly trained and responsible agricultural adviser for each village and a proper and active lead from the higher authorities.

Q. 77. The general policy of the Government and the land system of Bengal together with the laws of inheritance are responsible for the present uneconomic condition of the raiyats. Modifications have been suggested above.

Q. 78. This depends upon the extent of his present holding and his liabilities. Under the circumstances, any average worked out would be misleading. In the absence of a proper inquiry and the required statistics, it would be difficult to fix any percentage. But from the general condition of the country, and the absence of any free State aid on account of drought and floods and other natural calamities during the last 10 years, the pecuniary condition of the cultivating raiyats has gone from bad to worse.

Q. 79. *Vide* answers to questions 53-55. It is not only feasible but also necessary to maintain an annual record, as suggested in the question, as also of the extent and result of flood, drought and other natural calamities.

Q. 80. The means suggested in (*i*), (*ii*), (*iii*) and organisation of co-operative marketing are fully approved. The means suggested in the first part of clause (*iv*) and in clause (*v*) will lead to harassing and unnecessary complications, not materially improving the prospects of the cultivator.

Q. 81. No. None.

Q. 82. No.

Q. 83. The establishment of a Co-operative Marketing Board for each village would solve all questions of village credit.

Q. 84. The estimate does not seem to be at all correct. A considerable percentage of the gross produce is no doubt paid in interest.

But the organisation of Co-operative Marketing Boards and stopping of all further loans, except from the Boards, will stop the "drain" if such payment of interest legitimately earned can be called a drain. The so-called "Home charges" are called a drain, but the analogy is misleading. It may be mentioned that in the scheme suggested in these answers, the holding being absolutely non-transferable, and non-mortgageable, private borrowing will automatically cease.

Q. 85. On the whole, for a variety of reasons, the co-operative credit societies have not succeeded in ameliorating the condition of the agriculturist.

Q. 86. Debt Settlement Boards have only added to the troubles and problems of the agricultural debtors. These have destroyed the whole village credit system and the procedure prescribed leads to corruption and harassment. If the administration had been left to the ordinary Civil Courts, there might have been some chance of the system working well. In the absence of any adequate Land Mortgage Banks and other Government credit societies, rural credit is heading to a complete collapse.

Q. 87. This should be left to the Village Co-operative Marketing Boards.

Q. 88. Land Mortgage Banks have not improved the position to any extent.

Q. 89 and 90. The machinery is costly, cumbrous and unnecessarily harassing both to the landlords and the tenants. Prompt easy and inexpensive realisation of rent can be made only on the general lines of Regulation VIII of 1819 under proper supervision and by the proper authorities.

Q. 91. The scheme above suggested in these answers, if adopted, will lead to a new order of things, which will necessitate a repeal of all the complicated Revenue Laws and Regulations now in force, giving place to a simple and complete code of revenue law.

Q. 92. It is difficult to point to any single enactment which is more harsh than the others and modification of one will necessarily react on the rest. It is also difficult to discriminate between laws which are operating harshly either on the landlords or on the tenants.

Q. 93. This piecemeal legislation has not ameliorated the economic condition of the tenant to any extent; on the other hand it has caused a loss to the landlords which can be gauged from Statement No. XIV, in the List of Statistical Abstracts supplied, for which no compensation whatever has been paid to them from the State as *quid pro quo*.

Oral evidence of the representatives of the Bengal Mahajan Sabha, on 17th March 1939.

PRESENT ON BEHALF OF THE SABHA.

(1) Mr. Aswini Kumar Ghosh.

(2) Mr. Tarun Kumar Roy.

In reply to the Chairman, Mr. Ghosh said that the Mahajan Sabha consists mainly of traders and aratdars. They have also banking business but their banking is subsidiary to trade. In all, there are about 300 members from the whole of the province principally from eastern Bengal in the reverine districts. He said that his Association favours the abolition of the Permanent Settlement and the payment of compensation. The imposition of agricultural income-tax would not remove the evils of the zamindari system against which the present agitation is directed, nor would it help the zamindars to retain the good features of the present system. If the Sabha's scheme for economic planning of agriculture is accepted, the landlords would have to be removed. He explained the method of calculating compensation and took the case of a tenureholder who receives Rs. 1,000 as rent and pays Rs. 200 to his superior landlord. From the resultant profit of Rs. 800, there would deduction of 12½ per cent. on account of collection charges and cess at one pice per rupee. Compensation would be payable on the resultant figure. Similarly in the case of the landlord who receives Rs. 200 from the tenureholder—if he is paying Rs. 50 as revenue, that would be deducted *plus* collection costs and cess. The net profit of each person in the chain would be calculated in this manner. He held that unless 20 times the net profit was paid, compensation would not be adequate. "This is the general rate adopted in valuing property".

The Chairman enquired on behalf of the Maharajadhiraja Bahadur of Burdwan whether an additional 15 per cent. would be payable as compensation on the lines of the Land Acquisition Act. Mr. Ghosh reserved his reply for further consideration. He agreed that the interest payable on debenture bonds might be raised from 3 to 5 per cent. for the first five years on the ground that the purchase would be made at 20 times the profit. During the first five years, the bonds would not be issued, because it would take that period to make all the preliminary arrangements for acquiring the interests of the landlords and tenureholders. He thought that the amount required for compensation would be rather more than 100 crores. He proposed that the difference between 5 per cent. and 3 per cent. would go to a sinking fund for repayment. There would be a margin to Government for

their direct collection. This would be the difference between the assets of about 12 crores and the revenue of about 3 crores *less* collection costs at 12½ per cent.; and the sinking fund would continue until the debentures are paid off after 55 years.

Sir F. A. Sachse pointed out that in the reply to question 18, the cost of collection had been estimated at 5 per cent. Mr. Ghosh replied that this was the estimated cost after the land tenure system had been simplified according to his scheme, i.e., when the rent is realised by a method similar to the Patni Regulation. The Chairman pointed out that if 12½ per cent. were the cost of management the amount required would be about 1½ crores and the margin of profit would therefore be 7·5 crores. At 20 years' purchase, the total amount of compensation required would be 150 crores, including arrears and remissions.

In reply to a question by the Chairman on behalf of the Maharajadhiraja Bahadur of Burdwan, Mr. Ghosh thought that it would not be considered objectionable if he proposed compensation at high rates to the landlords, and the mahajans who have lent money to landlords are thereby enabled to recover their dues. He had no definite information regarding the present price of zamindaris. It would depend on the profit and other factors in each case. There are zamindaris which might even now fetch 15 to 20 times the net profit. The Sabha had only considered in its reply what would be fair compensation for forced acquisition. He agreed that there would be little margin of profit to Government in his scheme for State purchase until the debentures have been paid off after 55 years.

As regards the reply to question 53, he said he was in favour of a uniform rate of rent for the whole of the province: some rents will have to be increased but some will be decreased. He thought that the tenants generally might agree to this.

As regards the reply to question 83, he said that village marketing boards would go a long way to solve thae present difficulties. He agreed that the scheme would lead to the complete disappearance of the village mahajans.

In reply to Dr. Mukherji, he said that the only way to effect economic holdings would be to change the laws of inheritance. If this were objected to by the country, his proposals would fall through. Cultivators are normally out of work for 6 months in the year. He suggested the development of cottage industries such as hand-weaving, and the introduction of cheap electric power. He thought that under the Sabha's scheme of agricultural planning, the cultivators would be much better off. "It has not been due to the Permanent Settlement

that handicrafts have largely disappeared from Bengal. In the case of Dacca muslin authorities like Dr. Vincent Smith have said that the manufacture of muslin had disappeared before the Permanent Settlement." He agreed that marketing facilities should be developed and was in favour of fixing a minimum price of paddy and jute. The Sabha has suggested a period of five years for the introduction of its scheme. It might actually take 10 years, but agricultural reform is the main objective and has become a matter of urgency.

The State would not be "dispossessing" the landlords and tenure-holders because they would be paid adequate compensation. If any intermediary is allowed between the State and the actual cultivator, the Sabha's scheme could not succeed. He agreed that State purchase would result in 14 million rent receivers being thrown out of employment.

The Permanent Settlement may have resulted in a low rate of rent, but his objection is that the rent paid by the cultivator is not available to the State. Dr. Mukherji said that the Sabha's proposal to fix rent at Rs. 6 an acre amounted somewhat to rack-renting. Mr. Ghosh replied that he would have no objection to reduce the rate to Rs. 4-8 an acre but there must be uniformity and the State must have more money. As regards the 14 million rent receivers, who would be thrown out of employment, the State from its increased resources would have to find employment for them in the army, business and other professions. He considered the barga system not objectionable. The Sabha's scheme for the reform of agriculture is dependent on the area which one tenant can cultivate. There is one class of bargadars who are virtually tenants and there is another class who are employed simply as labourers. In order to grant occupancy rights to bargadars, they have to be converted into tenants. Because they are cultivating on half share of the crop, they are not debarred from becoming tenants under certain conditions, but the Act of 1928 did not recognize them as such in all cases.

In reply to Mr. B. K. Roy Chowdhury, he said that the main business of the Sabha's members is aratdari but they have also to advance money to cultivators for the purchase of seeds. He agreed that in some cases, mahajans have also bought zamindari property. The reason for this was that they considered land the safest investment. In such cases they had no alternative but to buy the property and manage it themselves. He agreed that in banking, there is a principle that no money should be invested in land because it ceased to be a fluid investment. "In Bombay, investments in industry are higher than in Bengal". Mr. B. K. Roy Chowdhury differed and said that from Government statistics of 1934-35, it was clear that

investments in Joint Stock Companies were lower in Bombay than in Bengal. He agreed that during the Swadeshi movement, the country suffered industrial losses. Some zamindars suffered, but so did other classes. He could not say definitely if land has attracted more capital than any other form of investment, but he said that was his impression.

Mr. B. K. Roy Chowdhury suggested that the National Government may change in future and any debentures issued might become worthless. Mr. Ghosh replied this implies that public debt would be a provincial subject but under the Government of India Act this is not the case. He did not agree that the market would not accept debenture bonds as gilt edged securities.

He said that by actual cultivators, he includes persons who cultivate themselves, or by hired labour, or through bargadars.

In reply to Khan Bahadur A. Momin, he said that some members of the Sabha may have acquired zamindari property but most of them are not zamindars. "They lend mainly to agriculturists but some of them who have the ready capital may also lend to landlords. He could not say that the majority of estates are encumbered but agreed that some landlords are in debt. The interest is regularly realised from profitable zamindaris but in unprofitable estates realisation is difficult. Zamindari property is not profitable nowadays because the power of realising rent is insufficient. The cry nowadays is to stop the payment of rent to zamindars; unless this is checked, zamindaris cannot be a profitable business, and creditors would not be anxious to purchase the estates. The khas lands of zamindars and tenure-holders should be excluded from State purchase". Khan Bahadur A. Momin asked whether such lands should be assessed to revenue and, if so, at what rate. Mr. Ghose reserved his reply for further consideration.

In reply to Khan Bahadur M. Hosain, he said that the advantage derived from State purchase would be that the State would step into the shoes of the landlords and the raiyati assets would be available to the State. The Khan Bahadur queried the cost of compensation in the reply to question 14. He said that raiyati assets in the permanently settled area were about 11 crores, and if from that was deducted revenue at 2·15 crores and 50 lakhs for cess, the balance would be 8·3 crores. From this will have to be deducted the collection cost at 12½ per cent., i.e., 1·04 crores. There remains just over 7 crores, and at 20 times the net profit the total amount of compensation would be 140 crores. At 3 per cent., 4·2 crores would be required as interest.

As regards the proposal to fix rent at Rs. 2 per bigha, the Khan Bahadur pointed out that lands varied greatly in productivity.

Mr. Ghosh agreed and said that rents should be adjustable in accordance with the rise or fall in prices. Unless holdings could be made economic the Sabha's scheme would fall through. He agreed it might take years to effect agricultural improvement and consolidate holdings. He also agreed that in the scheme for State purchase little money would be available to the State for a good many years. He suggested however that it might be possible for Government, to raise a loan at less than 3 per cent. It might even be possible to raise it at 2 per cent. The Chairman observed that the British Government would be glad to know how any loan could be raised under 3½ per cent.

In reply to question 53, he said that the Sabha had made some investigations regarding economic conditions and the ability of cultivators to pay rent. He suggested that the Board of Economic Enquiry should investigate the budgets of cultivators to find out what fair rent can be paid by them. He maintained that a uniform rate of rent should be paid for all classes of land, because the Sabha's scheme would ensure uniformity of cultivating conditions. As regards the imposition of an agricultural income-tax he said that the Sabha has no data to indicate agricultural income in Bengal. Khan Bahadur M. Hossain said it was expected that such a tax might realise 50 lakhs. Mr. Ghosh thought that an agricultural income-tax would affect the tenants as well as the landlords, and said that there are many tenants who have an income of over Rs. 2,000. "There are numbers of such tenants in Rangpur district".

He maintained that transferability should be stopped, and the proposed economic area of 3 acres should not be subdivided. The cultivators would get credit from the proposed village marketing boards.

As regards the reply to question 50, he explained that the words "economically unsound" were used with reference to the change in the purchasing power of the rupee, so that the whole surplus revenue after State purchase would only come to the coffers of the State if there were a revaluation of rent according to present standards. Khan Bahadur M. Hosain queried the figures for outturn in the reply to question 72 and suggested that the figure of 36 maunds in Western Bengal is too high. Statistics give the outturn at about 18 maunds. Mr. Ghosh replied that the figure was based on the Sabha's estimate and on the experience gained from taking the average of several samples.

In reply to Sir F. A. Sachse, he replied that some members of the Sabha have bargadars but no figures are available showing the actual receipts of the share of the crop.

With regard to question 40, he explained that he intended to provide for agricultural credit through Co-operative Marketing Boards.

In reply to Khan Bahadur Hashem Ali Khan, he said that although zamindaris are not nowadays popular investments, there are some people who are still prepared to buy property if they can get them at a nominal price. The price has fallen since the depression and there are few buyers at adequate prices. He agreed that mahajans would be unwilling to purchase zamindari property nowadays without increased powers for realisation of rent. The Hon'ble the Chief Minister had undertaken in the Upper House, when the amending Bill of 1938 was introduced, that the Government would provide for the punctual realisation of rents. If that assurance is not kept, the landlords' position will become very difficult. If agricultural income-tax is imposed in addition it would amount to an easy method of extinguishing the landlords. Mahajans have lent money to zamindars but not with the object of obtaining their property. He mentioned the case of an estate which had been purchased by a mahajan in a sale at a very inadequate price, and said that if compensation were to be given on the basis of the price paid, it would be most unjust. "No calculation can be based on compulsory sales such as revenue sales". There might have been one or two cases in which members of the Sabha have received offers from zamindars for the sale of their property. The price offered may have been 12 to 15 times the net profit, but prices in abnormal times cannot be taken as the basis for compensation. The average sale price of 50 years would have to be taken. During the boom, the price of Calcutta property was high: the prices are now less but are still fairly high. It depends on the locality. It is true that people would only buy property at the market price, but such voluntary sales are on an entirely different footing from forced acquisition of property by the State. The Government of India Act makes it imperative that proper principles should be laid down for acquisition and compensation. He agreed that Government ought to give a fair price for an estate sold in revenue sale but the sale law is otherwise, and has always been considered harsh.

He agreed that there is a general demand for reduction of rent in the province but maintained that when the burden of Government is on the representatives of the tenants, the tenants may have to agree to higher rates. He did not agree that landlords and tenureholders should agree to accept a low rate of compensation in view of prevailing prices: they will be making sufficient sacrifice by losing their lands. "It might be the case that some landlords have got into debt on account of their own extravagance but this is not a factor which affects the rate of compensation."

In reply to Sir F. A. Sachse, he said that as a member of the Board of Economic Enquiry he would suggest an enquiry into the outturn of crops and the present condition of rural credit resulting from the Bengal Agricultural Debtors Act. He said that he had read the Board of Economic Enquiry Committee's report of 1934. In addition to the use of Settlement records he would suggest an enquiry into the result of Debt Settlement Board's work. He thought that figures could be obtained from these Boards showing the incomes of the agricultural families but suggested that enquiries should also be made to show what credit is now being obtained. His opinion was that credit had almost completely dried up and that tenants could not even get a loan of Rs. 2 for their doctor's bills. The Hon'ble Finance Minister recently admitted in his budget speech in the Lower House that the Bengal Agricultural Debtors Act has largely removed agricultural credit and the Hon'ble Ministers of Rural Indebtedness and of Justice have said that the Act is partly responsible.

He agreed it is partly true that mahajans cannot lend money because they cannot get back their capital. "Mahajans do not lend money with the object of getting possession of land: they want a return on their money. In the case of uneconomic holdings they run the risk of losing their money, but if the rate of interest offered by the tenant is tempting, mahajans would take the risk. Generally mahajans do not make careful enquiries into the financial condition of the tenants to whom they lend money. He agreed however that the mahajans have a better knowledge of the villagers' conditions than a co-operative bank could have. A great many mahajans, including some Muhammedans, have acquired land and have become agriculturists. A tenant may withhold his landlord's rent but, if his credit in the village is good the mahajans would not hesitate to lend money to him. He undertook to make enquiries and inform the Commission in due course whether it is possible to get the views of some representative village moneylenders.

He suggested that the possibilities of the indigenous banking system should be explored before other systems are developed by Government. He agreed that in Rangpur the outturn of crops was higher than in West Bengal: certainly the double cropped area in Rangpur was greater than that of West Bengal. The figure of 36 maunds for single cropped land in western Bengal might be incorrect and needed further investigation. In Chittagong and Bakarganj the outturn of aman paddy would be more than in western Bengal, as the land is more fertile. The cost of cultivation in Bakarganj would also be less than in western Bengal.

He said that there is a distinct class of agricultural labourers in districts like Midnapore, Bankura and Birbhum but not in Rangpur.

It would not however be possible to draw any social distinction between a raiyat, a bargadar and a labourer. A mahajan would do business with any one of them who had sufficient credit.

As regards the reply to question 25, he explained that by the word "tenant" he excludes the class of bargadars who can be ejected at will. His distinction amounts to an interpretation of the law as amended by the Tenancy Act of 1928.

He agreed that at present mahajans are not lending money on the basis of usufructuary mortgages because of the amending Tenancy Act of 1938. It cannot yet be said whether the credit of tenants will improve and mahajans will agree to take usufructuary mortgages. He agreed mahajans may consider that by allowing a mortgagee to continue cultivation and by receiving half of the crops for 15 years they are not getting sufficient to cover the amount advanced.

In reply to the Secretary, he agreed that the outcry for reduction of rent might subject the tenants' representatives to political pressure but thought that when they have the responsibility of carrying on the Government, the party's position would be the deciding factor. If they could not balance the budget, they would have to revise their election pledges.

As regards the scheme of State purchase, he said that when compensation was proposed for raiyats, he meant non-cultivating raiyats who are mere rent receivers. He could not say what would be roughly the proportion of such tenancies, but undertook to make enquiries and supply the Commission with figures if possible. The Secretary said that in Madras where legislation has limited mahajans' interest to 6¼ per cent. the Commission had been told that mahajans are likely to continue lending at that rate. Mr. Ghosh replied that in Bengal it would depend on whether more profitable investments could be found. If mahajans had capital lying idle they might invest it in non-agricultural concerns if they saw a possibility of higher profit.

Reply by the Bengal Provincial Co-operative Bank.

Q. 81. Pressure of population has led to an indefinite fragmentation and creation of uneconomic holdings.

Q. 82. Government-aided factories started on a co-operative basis—which will include in the management specially trained officers conversant with the technique of the particular business and with sufficient initial capital sufficient to cover the entire block account—may give the local people fair amount of work and relieve in part the pressure on the land.

Q. 83. Agricultural credit consists of three main divisions, viz.:—

(1) Normal credit for the seasonal requirement.

(2) Intermediate credit for purchase of agricultural implements and cattle (for 3 years on the average).

(3) Long term credit for freeing the agriculturists from debts.

As regards (1)—The best way to cope with the problem is to introduce a network of primary co-operative societies throughout the whole of Bengal. There ought to be at least one society in each of the 86,000 villages. The advance to a member should be commensurate with the area under his cultivation and should in no circumstances exceed his normal requirement for raising the crop. Some machinery must be available to the society for collecting the advances expeditiously and there should be penal provisions for wilful non-payment of these advances.

As to (2)—For intermediate requirement the co-operative societies discharged this function in the past but on account of wide failure in repayment of their dues this has not been successful. A different kind of capital is needed. If such capital is forthcoming and these two different kinds of advances are kept distinct the co-operative societies may do this kind of business to a limited extent consistent with the repaying capacity of the borrowers.

As to (3)—For long term requirements the best agency is the land mortgage banks established on a co-operative basis—which can be utilised to free the cultivator of debts. These banks from their very nature can cater only to the requirements of a solvent cultivator with sufficient repaying capacity.

Q. 85. The co-operative societies have succeeded in reducing the average rate of interest throughout the country. The rate of interest charged by the mahajans was on an average varied from 37½ per cent.

to 75 per cent. The co-operative societies have reduced this to 9 per cent. to 15 per cent. It is wrong to say that only the members of the societies have benefited from this. The lowering of the average rate has helped those agriculturists who are not members but who have reaped enormous advantages on account of the lowering of the average rate. The benefits of the co-operative movement should not be gauged by looking at the economic condition of the members only but it should also be considered what it has done for the general mass of the agriculturists in the country. The rate of interest may not be excessive; still attempts should be made to lower it further as the repaying capacity of the cultivators has shrunk considerably on account of the economic depression.

As regards the benefits to the members of the village societies: they have undoubtedly been helped to a great extent. But for these societies they would have been turned into landless labourers. The main reason why they have not been functioning as they ought to is that the unlimited liability system in vogue amongst them deters solvent cultivators with sufficient repaying capacity from becoming members of these societies as they feared to lose their own properties on account of the debts of the weaker members. Consequently the association of several persons, each of whose position is economically unsound, has not been and cannot be able to show such good results as are possible from these organisations. Proposals are before the Government for creation of limited liability societies amongst the agriculturists which will meet the need of the solvent agriculturists and which are likely to be successful. About 5 per cent. agriculturists are members of the village societies.

The wiping out of debts of the members have been only undertaken very recently through the medium of the land mortgage banks. From their very nature they can only help the solvent agriculturists. The progress of the work is necessarily very slow. At present only about Rs. 4 lakhs have been advanced through the five land mortgage banks sanctioned by the Government. The proportion is about 1 per cent. of the total number of members of the co-operative societies.

Q. 86. Debt Settlement Boards are scaling down certain debts—the progress has been very slow and in the meanwhile there is no machinery for supplying the cultivators with necessary credit.

Q. 87. The introduction of agricultural banks in lieu of the co-operative institutions is open to serious objections on the following amongst other grounds:—

The present system of advancing small agricultural loans not exceeding Rs. 10 as an emergency measure should be substituted by

a system in which Government is prepared to advance the entire amount necessary to meet the normal credit requirement. Recovery of this will necessitate the introduction of stringent measures not likely to be acceptable to a popular Government. The management will be most costly and will lead to heavier overhead charges which will in ultimate analysis fall on the borrower cultivator. Besides, acceptance of the role of banker by the Government may lead to serious embarrassment as it might be influenced by political parties. The position of the Government revenue charges and rent charges of the landlords are likely to be endangered if the Government comes out as a money-lender. It will also put a discount on private enterprise and impede the normal outlet of national finance.

Q. 88. The land mortgage Banks have functioned only to a very limited extent on account of the nature of the business which necessitates close scrutiny of the title of the applicants and their repaying capacity. It provides long term credit only to the solvent cultivators. Government has sanctioned only five land mortgage banks which are operating in only 5 districts and that only in certain restricted areas. The authorised Government guarantee is only 12½ lakhs. It is necessary that a network of co-operative land mortgage banks should be established throughout Bengal and the Government should be prepared to guarantee the principal and interest of the debentures to be floated at present up to a minimum of Rs. 200 lakhs.

For the improvement of the co-operative land mortgage banks the following steps amongst others may be taken:—

(i) Establishment of a Central Co-operative Land Mortgage Bank. The present system by which it is a department of the Bengal Provincial Co-operative Bank without any floating charge on its general assets will be fraught with interminable legal difficulties in the way of floating the debentures.

(ii) Government must be prepared to guarantee both principal and interest of the debentures to an extent of at least 2 crores for the present. The total long term capital needed for Bengal is at least Rs. 50 crores.

(iii) Government must be prepared to find the necessary staff and afford the other facilities granted to the Co-operative Land Mortgage Banks as in Madras.

(iv) Facilities are to be given to the Land Mortgage Banks to scale down debts and make these charges not liable to be cancelled on the event of a rent sale on account of a default by a superior landlord.

Oral evidence of the Bengal Provincial Co-operative Bank on 20th March 1939.

PRESENT ON BEHALF OF THE BANK:

(1) Mr. S. K. Chatterjee.

(2) Rai Bahadur Nagendra Nath Mookerjee, O.B.E.

In reply to the Chairman, Mr. Chatterjee said that he has been a Director of the Provincial Bank for the last twelve years and is Bengal's representative in the All-India Provincial Banks' Association and All-India Institutes' Association of which he is a member of the Standing Committee.

The Provincial Bank finances both land mortgage banks and ordinary village societies through central banks. He said he had been to Madras to study the problem of land mortgage banks and he has submitted a report of which he made over a copy.

The Provincial Bank's funds are derived from the deposits which are generally made for two or three years. There is also a reserve fund amounting now to Rs. 29 lakhs which has been converted into Government securities. The total holding of Government securities is Rs. 89 lakhs approximately. Deposits are kept in the Imperial Bank and advances are made from them to the central banks and land mortgage banks. No funds are derived from Government and deposits are not guaranteed by Government. The bank has sufficient funds, but the demand for loans from the bank has practically disappeared with the exception of short-term crop-loans and advances to land mortgage banks. He agreed that one mistake has been that in the past no distinction has been made between long and short-term loans. Another reason for the present condition is that Debt Settlement Boards have resulted in a shrinkage of credit.

It is true that many people cannot repay their loans, but many of those who can repay will not do so. The economic depression and the fall in prices are also responsible for present conditions. These factors have produced the present deadlock.

He thought that the co-operative system is capable of sufficient extension to meet the demands of practically all agriculturists. There should be at least one society in each village throughout Bengal. Rules have now been framed for advances of crop loans, i.e., short-term loans to be repaid from the next crop. The repayment of such loans has been generally regular except when there has been a failure of crops. They are usually limited to 10 or 15 rupees and he thought that people would generally repay such loans when they were able to do so.

Applications for loans from land mortgage banks have to be carefully scrutinized by the Provincial Bank. Debts are scaled down and loans are granted in cases where the applicants have sufficient security. The number of such cases is very small, it is true, but an investigation in Madras showed that out of an actual advance of Rs. 5 lakhs to ordinary village society members only Rs. 5,000 could only be advanced to members who satisfied the standard of land mortgage banks. The same would be the case in Bengal. For those cultivators who have not sufficient security to take loans from land mortgage banks, he recommended the scaling down of debts on a sufficient extent.

At present in the land mortgage banks there are no compulsory methods of scaling down debts, but each case is investigated on its own merits. He considered that the present legislation is sufficient, but thought that further legislation might be necessary in the future.

He said he was opposed to the grant of direct loans by Government. The problem of debts should be dealt with on co-operative lines. Nor was he in favour of establishing agricultural banks. Recovery of loans would only be possible if stringent measures were adopted. These would be unpopular and Government might have to write off part of such loans. It would operate as a check on the normal outlet of national finance if Government acts as a moneylender to the people. Management by Government would also be more costly.

In reply to questions put by the Chairman on behalf of the Maharajadhiraja Bahadur of Burdwan, he said that he was not in favour of Government financing such agricultural banks. He estimated that the amount required for crop loans would be Rs. 2,000 to Rs. 2,500 for each village society if it includes the major part of the cultivators in a village. He estimated that about 75 per cent. of the villagers might require loans.

He thought it would be necessary to develop industry in order to employ the surplus population, but he could give no idea of the capital required for starting a small industry.

In reply to Khan Bahadur Muazzamuddin Hosain, he said that the Banking Enquiry Committee's report of 1930 might have said that the rate of interest charged by mahajans at that time was still 37½ per cent., but he maintained that the co-operative movement has effected a great reduction in the general rate of interest. Although the societies comprise only 5 per cent. of the agricultural population, the movement had undoubtedly lowered the mahajans' rate of interest. The question does not arise now, because no credit is at present available. It may be true that the rate of interest has also decreased owing to the economic depression. He did not entirely agree that co-operative societies have got into difficulties because their members

could borrow from other sources as well as from the societies. The principal reason is the economic depression and the shrinkage of credit or repaying capacity. Even ten years ago some societies failed because members would not repay their dues although they were in a position to do so. The Department is now recommending loans only to those who have the capacity to repay and is also granting short-term loans.

Agricultural debt amounts to about 150 crores. In Madras Rs. 1:25 crores has been advanced to land mortgage banks. In Bengal Rs. 4 lakhs has been advanced to 5 mortgage banks. There should be many more mortgage banks in Bengal at the minimum one in each subdivision. The present number is admittedly small, but it is an experimental measure, and it is to be remembered that the Madras investigation shows that only loans to the extent of Rs. 5,000 out of a loan of Rs. 5 lakhs could satisfy the test of the necessary security for loans from land mortgage banks. The procedure is necessarily slow. Loans are granted up to 50 per cent. of the value of the property. The total number of people who can be helped by these banks may be only 10 to 15 per cent., but a margin of safety must be allowed and it cannot be helped if the majority of agriculturists cannot be given loans.

He did not agree that the responsibility for granting loans should be divided between the Government and the Provincial Bank, viz., the former should supply short-term credit and the latter long-term loans. Government can only approach cultivators indirectly whereas co-operative societies are in close touch with them. Government has not got the same organisation and machinery. It may be true that 99 per cent. of agricultural loans are recovered by Government. He could not say whether this is managed without difficulty and without the issue of certificates.

He would have no objection to a scheme whereby an Inspector is appointed to supervise co-operative societies and land mortgage banks in each thana, and the Collector advances short-term loans on the security of crop. The societies must however be organised on a co-operative basis.

He agreed that a continued bond system will be necessary in the case of an agriculturist debtor who requires money again for a particular purpose, after his entire property has been mortgaged to a land mortgage bank; all his agricultural requirements will have to be met somehow.

For persons who cannot be helped through land mortgage banks he recommended that credit societies for small loans be opened in every village. It would however be difficult to help those cultivators who

have not got adequate security to wipe off their loans. Their debts would have to be scaled down and thereafter if the security was found to be sufficient they could be given loans, otherwise not.

Khan Bahadur M. Hossain suggested that tenants who have not got sufficient security might make over their lands to mahajans in usufructuary mortgage and continue to cultivate as a bargadar for a period of years. Mr. Chatterjee said that the period could not be more than 15 years under the Tenancy Act but that if the mahajans agreed to this arrangement he would have no objection. He was however opposed in theory to any disorganisation of credit through legislation. Sir F. A. Sachse pointed out that Debt Settlement Boards have already got the powers to scale down loans. Mr. Chatterjee said that he was not in favour of trying to compel mahajans to take usufructuary mortgages.

In reply to Khan Bahadur A. Momin, he said that he would be in favour of a scheme whereby Government would hand over loans to village societies, who would lend the money to their members and recover the sums after the crops are harvested. He thought this might be more popular than the present system of joint security bonds under which each member is personally liable to an unlimited extent for the debt of others. In the amended Act before the Legislature there is provision for recovering loans by distraining the crops. He was in favour of this provision; though distraint might make the co-operative system a bit unpopular with those who could not pay still he thought the threat of distraint would be a useful deterrent. In order to dispose of distrained crops there would have to be a marketing society attached to each group of co-operative societies, to be organised by the Department or Provincial Bank.

Loans issued by primary societies must be confined to short-term loans; there would then be no difficulty in getting money for agricultural relief. Land mortgage banks are functioning properly but their progress is slow. Their work and that of the Debt Settlement Boards overlap in some cases. The land mortgage bank does the work of a debt settlement board as it first of all scales down the debts of applicants; but on a voluntary basis. The ideal procedure would be to have a land mortgage bank which has also the powers of the debt settlement boards. It is as yet premature to judge the results of the Debt Settlement Boards, but he thought their utility as they are functioning now, is doubtful unless some machinery is available for reviving credit and unless their disposal of cases is properly expedited.

In reply to Dr. R. K. Mukherjee, he said that agricultural loans are necessary for cultivation. Repayment of such loans would certainly have to be made from the crop. If the gross produce is taken

at Rs. 40 per acre and the advance for the cultivation of the same is Rs. 10, the cultivator might have to repay principal of Rs. 10 plus interest about annas 10 at the rate of 6 per cent. or 7 per cent. for 9 months, i.e., he would have about Rs. 29 profit per acre. He agreed that the position could be improved if holdings could be made economic. From a purely economic point of view it may be correct to say that credit cannot exist if holdings are uneconomic. Whether it is possible to make holdings economic, is another matter, but it is better for tenants of uneconomic holdings to have some income as pointed out above rather than nothing at all. Cessation of credit means the total destruction of income.

There could be no guarantee that agricultural loans might be diverted to social use, but the co-operative system of joint liability with close supervision provides some security against this. Rai Bahadur N. N. Mukherjee thought that it would be possible to guarantee that loans are used for the purpose for which they are made. Formerly the Department used to make over money to the Secretaries of societies and it did not always reach the members. Now the Department's supervisors make payments direct. He did not think it likely that debtors would repay their loans to societies by borrowing from mahajans, because the rate of interest charged by mahajans would be higher and no mahajan would lend money to a man who has already borrowed from a society. He agreed there might be difficulties if a dishonest debtor were to dispose of his crop before distraint could be made. The system of short-term loans is working satisfactorily and most of the villagers where the system is working are coming forward for loans. Some investigation is made even in the case of short-term loans. The enquiries are carried out by inspectors and special officers.

In reply to the Secretary, Mr. Chatterjee said that loans would not normally be given to bargadars who had no raiyati or under-raiyati lands.

The deposits in the Provincial Bank are not guaranteed by Government. The Bank has got about Rs. 89 lakhs in Government securities and has approached Government to guarantee debentures which it is proposed to float for the Central Banks that are unable to pay off their liabilities.

The figure of 86,000 village in the reply to question 83 was taken from some Government report and from the Registrar of co-operative societies.

In reply to Sir F. A. Sachse he said that the applications for loans from the land mortgage banks are scrutinised by the Provincial Bank. It is true that the system of centralisation results in some delay. In

Madras the same system exists. Sometimes the recommendations of the land mortgage banks may have to be set aside because the title is not clear or they have no sufficient repaying capacity. The Sub-Deputy Collectors or Managers who conduct enquiries in connection with the applications to land mortgage banks are not always sufficiently conversant with the law on the point. It has also to be remembered that the Provincial Bank is ultimately responsible for granting the loans. He himself is a member of the Land Mortgage Committee and scrutinises every one of these applications.

As regards the reply to question 83 (2) he said that by "a different kind of capital" he meant money for a longer period, i.e., that the Provincial Banks must lend money to the central banks for a longer period. As the period of deposit must be commensurate with the period of the normal return of the loans, the period of deposits must necessarily be longer.

In reply to the Chairman he said that different rates of interest are payable on different kinds of deposits.

As regards the reply to question 65 that proposals are before Government to create limited liability societies, he said that according to this proposal each member will be liable for the loan of the society up to the extent of his paid up or uncalled spare capital. The system of joint liability in a case where a member stands surety will be there as in the case of urban banks. If there is limited liability, substantial agriculturists who have sufficient security are likely to join the societies and this will strengthen the movement by bringing in a class of solvent agriculturists who now keep away from the movement under the apprehension that they will lose what they have got through the default of less solvent members. Sir F. A. Sachse suggested that, if, as has been said, the cultivators normally require a loan for cultivation every year, the fact that they have obtained no credit for several years might lead to the conclusion that land has gone out of cultivation. Mr. Chatterjee replied that some of them are still getting credit from the co-operative societies and that the remaining 95 per cent. must have been managing somehow possibly by alienating a portion of their lands. He thought that one reason for the increased sale of part holdings is that cultivators have to pay the expenses of cultivation. In the Bill before the Legislature, it is proposed that distraint of crops should be carried out through the Registrar and not through the courts. He agreed that it would be difficult in practice for Civil Courts to arrange for the distraint of crops. He thought that the power of distraint through the Registrar would act as a deterrent and will reduce substantially the number of wilful defaults.

Rai Bahadur N. N. Mukherjee said that the Provincial Bank's securities of Rs. 90 lakhs are now earning rather less than they are

paying. The central banks have not been able to make any substantial repayments during the last five years and the deposits in the Provincial Bank have fallen below the withdrawals. He doubted whether sufficient deposits could be obtained to cover the difference without raising the present interest of 3½ per cent. on deposits. The Provincial Bank lends to central banks at 5 per cent. and its rate of interest of 3½ per cent. is for 2 or 3 years deposits. He agreed that to some extent the increased withdrawals may be due to lack of public confidence. The excess of withdrawals over deposits is however small.

In reply to the Chairman, he said that the Provincial Bank is not living entirely on its reserves but is also receiving deposits. He himself had objected to the large amount of reserve but the Registrars had insisted on an adequate reserve to meet times of difficulty. There was a surplus of Rs. 40 lakhs which has now come down to Rs. 7 to Rs. 8 lakhs and there is also a Government guarantee on Rs. 39 lakhs which the Bank has not had to draw upon.

As regards the reply to question 88 (1) he explained that the Provincial Bank should have capital and interest guaranteed by Government and should be independent of the land mortgage banks. There should be separate banks above the land mortgage banks on the lines of the Provincial Bank.

In reply to Khan Bahadur M. A. Momin, he said that it is too early to say whether Land Mortgage Banks are safer investments than co-operative societies with short-term loans. Land is not the asset it used to be; nowadays it is rather a burden. He himself possesses several tenancies but finds it difficult to realise rents from his tenants. He doubts if purchasers could be found for zamindaris at 5 times the net profit.

Continuing to Sir F. A. Sachse, he said that mahajans should not be compelled to take usufructuary mortgages. It may have been unwise on their part to advance more money than they could recover from half share of the crop over 15 years, but they know their own interests best. He was of opinion that the present difficulties are entirely economic. In order to meet the present situation he suggested distribution of improved seed and manure through co-operative stores under the supervision of agricultural officers. Marketing facilities should also be developed and in order that a scheme for planned agriculture may be introduced, there should be an extensive soil survey. There should then be a Growers' Association with the centre at Calcutta and branches in the mufassal. The Central Association would keep in touch with the world demand for various crops. Subsidiary occupations, such as cottage industries will also have to be developed in order to keep the cultivators employed throughout the year.

Reply by the Bengal Provincial Hindu Sabha.

Q. 1. This description is not exhaustive of the duties and obligations of the zamindars. The zamindars had to keep up thanas or police, to give information of the bad characters in their zamindari, to maintain peace, and to supply stores to the army and Government officers in addition to other traditional or customary duties. The zamindars were said to have been tax gatherers and servants of the State, paying into the Exchequer amounts fluctuating, arbitrary and unequal. The policy of Lord Cornwallis in fixing for ever the land tax payable to Government was a matter of necessity, and the Despatch of the Court of Directors, dated the 29th September 1792, was in accordance with the spirit of the age and the views of the Parliament as contained in Pitt's India Act.

The necessities of paying the great military and civil establishments of the Company and the dividends to the proprietors required the punctual realisation of the land tax, and the amount needed was very large. To avoid fluctuation and ensure punctual realisation, some means was absolutely necessary to be adopted, and the Government adopted not only the best, but the event shows, the most successful one. The tax was at that time so heavy and the rules adopted for realising it so paralysing, that most of the ancient raiyats and zamindars of Bengal succumbed in the course of a few years of the Permanent Settlement being thrust upon them.

Permanent Settlement did not take away any existing right from the tenants.

Q. 2. Yes. Of course, he could not prevent tenancies descending to heirs of the khudkasht tenants.

Permanent Settlement merely recognised the rights of the zamindars to restrict usage of lands.

Q. 3. The landlords have done much for the economic development of the country in earlier times. They have excavated tanks and ponds, dug wells, constructed roads, established schools and colleges, hospitals and similar other charitable institutions. They brought waste and jungly lands under cultivation.

They have not failed to perform their functions. In recent years, owing to the countrywide economic depression the zamindars have been financially handicapped in continuing to do these things further.

Q. 4. It is not correct. The Permanent Settlement merely recognised the zamindars as actual proprietors of the soil which they were from before the introduction of the Permanent Settlement.

According to the Hindu idea the khudkasht raiyat was the proprietor of the soil, the King being entitled merely to one-sixth portion of the

produce which was described as the King's salary, but according to the Muhammadan idea it was the King who was the proprietor of the soil and not the khudkasht raiyat.

The State assumed to itself and made over to the zamindars its own supposed proprietary right to the soil, as if the cultivator had no right to hold land against the will of the Government and its grantees. To repeat the words of the preamble to Regulation II of 1793, "the property in the soil was formerly declared to be vested in the land-holders," but adequate provision was not then made for the protection of the class of persons who were the real proprietors of the soil and who deserved protection of the Government.

Q. 5. The annulment will be, virtually, breach of the solemn pledge given by the East India Company (*vide* Article III, Section 4 of Regulation I of 1793). The political and social position of the country existing at the time of the Settlement justified such a measure and without the help of such zamindars the administration of the country was almost an absurdity on the part of the East India Company who knew practically nothing of the habits, mode of living, religion and tradition of the people of the country. Direct contact with the masses was then regarded by the authorities as baneful to them, therefore they took to the measure with an eye to the then circumstances of the country which was, to some extent, chaotic, anomalous and troublous. The main object was the punctual realisation of a fixed revenue peacefully.

No harm, if the tenants were no parties to such pledge. We do not think, Permanent Settlement permanently crippled the financial resources of the country.

The exploitation of the foreign Government under a subtle exchange policy is responsible for economic distress of the country. The market of the produce of the lands is controlled practically by Government policy which is more or less alive to the interest of the British traders which retards the economic development.

Q. 6. This expectation has been fulfilled as far as practicable.

Large increase in area brought under cultivation since the Permanent Settlement is mainly due to the initiative and the pecuniary and other assistance of the zamindars and partly due to the increase in population.

Q. 7. By the combination of the three elements.

Q. 8. This expectation has been fulfilled. The zamindars are not at all strict in collecting their rents. They generally do not bring any suit for recovery of rents before the expiry of 4 years. It often happens that no interest is taken if payment is made out of Court.

The Government are not generous to the zamindars. Compared with the hardship of Revenue Sale Law, the zamindars are kind to their tenants.

Q. 9. No other duty was imposed upon the zamindars manifestly. From the beginning of the Permanent Settlement and up to the middle of nineteenth century, before the growth of towns and cities, the zamindars lived peacefully and in close touch with their tenants but with the growth of cities and towns they generally left the villages and took to town-life and began to lose touch with their tenants. But this is not universal. There are still some zamindars who like village-life and are in close touch with their tenants sharing their joys and sorrows.

The western civilisation has eaten into the the vitals of the ideal of simplicity in living and is mainly responsible for the present absenteeism of the zamindars. The Indian ideal of simple living and high thinking is gradually losing ground owing to the glamorous and ephemeral lure of pleasures of town-life grown under the influence of the western nations.

Q. 10. The Permanent Settlement was in the interest of the country economically and for the greatest good of the greatest number through middlemen.

Certainly, it has led to a revenue system which was for the benefit of the province. Sir John Lawrence in his Minutes of July 5, 1852, says "we cannot of course afford to give up generally large portion of revenue in India, but it is impossible to doubt there are great political advantages in such a policy. A perpetual settlement founded on a light and equitable assessment of the land would, it must be obvious, be very popular and most advantageous for the great mass of the agriculturists." Not content with this, Sir Charles Wood even accepted the general principle that a Permanent Settlement was advisable throughout India (*vide* Imperial Gazetteer, Vol. IV, page 231).

Permanent Settlement has led to a revenue system which is to the benefit of the province.

Regarding latter part of the question we say "Not exactly."

Q. 11. (*i*) It seems to be wrong; the apparent fact is that most of the zamindars cannot realise their rents nowadays, for the capacity of the tenants for payment is decreasing from day to day owing to the economic distress in the country. The price of the produce of the lands is getting lower and lower. Jute, the main produce which is calculated to bring money for the cultivators, is now almost a condemned commodity the market of which is controlled by the foreign millowners.

(*ii*) Subinfeudation is, in the true sense of the term, absent in this country, but intermediate positions have been created as a matter of necessity and so to the benefit of the country at large.

(*iii*) To some extent in accordance with the provisions of the Bengal Tenancy Act, but the system is not harassing and oppressive in general.

(*iv*) No. Nowadays no body cares for the zamindars who are regarded, more or less, as so many commission agents of the Government without any power or authority.

Q. 12. No. If the Permanent Settlement is abolished, the Government will have to come in direct touch with the masses. This will mean loss of revenue and apprehension of occasional revolts of the masses in times of distress.

Q. 13. None. There is no loss to the State of 12 crores unless the State is to appropriate every pice of the rent paid by actual cultivator and also the income of the khas lands.

Q. 14. This question does not arise. But we say that if zamindari to be abolished, compensation at the rate of 20 times of the net munafa of the zamindari should be given and that in cash.

Q. 15. This question does not arise.

Q. 16. It would revolutionise the society. Education and culture would be gone with the extinction of the middle class which is the inevitable result of such abolition. There would be only drawers of water and hewers of wood on one side, and the Government on the other. In ancient times in India there was division of labour, and educated class was maintained by the State.

In the absence of any such State-policy for the maintenance of the educated class and with the abolition of the zamindari system intelligentsia would be wanting and cultural development of the country would be at stake.

Q. 17. No.

Q. 18. We have no knowledge.

Q. 19. We do not think so. Khas mahal raiyats do not enjoy any advantage over tenants under the proprietors. Rather, the certificate procedure of the Khasmahal Department is regarded by the tenants as hard and harassing.

Q. 20. Yes, as a matter of necessity and of course. In our opinion the creation of permanent tenures has not affected the economic position of the raiyats. It might have affected their social position when one of their class became their overlord.

Q. 21. No better effect. If tenures are purchased by the State, the tenureholders will disappear and consequently the middle class will be extinct. Extinction of middle class means extinction of culture, education and advancement of the country.

Q. 22. The homesteads and khas lands should be regarded as permanent and very fair and equitable rent should be assessed upon them.

The criterion for the ascertainment would be prevailing rate of the locality for lands without improvement.

Q. 23. It is no creation of British legislation. According to the Hindu law the actual proprietor of the soil is the khudkasht raiyat and not the zamindar or the middleman, the King being entitled only to one-sixth of the produce which has been called as salary of the King. In Muhammadan times the zamindar was the proprietor of the soil. Right of the khudkasht raiyat to the soil was not taken away by the Permanent Settlement.

Q. 24. According to Hindu law this was the position but not so according to the Muhammadan idea. According to Hindu law the King was entitled to only one-sixth portion of the produce which was called his salary in lieu whereof he gave protection to his subjects. Proprietor in this sense that so long as they paid the tax they could not be ejected and had the right of transfer as the zamindars had.

Q. 25. In favour of extending the principle to all grades of statutory raiyats but not of confining it to the tenant actually cultivating the soil (tenant meaning statutory raiyats who pay rents and not bargadars or labourers, etc.)

Q. 26. Raiyats who have sublet their entire holdings should lose occupancy right. Those who have partly sublet may be allowed to retain occupancy rights if from disabilities they have done so.

Q. 27. The question of non-agriculturists was not before the framers of the Permanent Settlement Regulation. The main object was to have revenue through extension of cultivation. In all sense of justice and equity non-agriculturists who have had their homesteads and factories on lands for more than 12 years should have right of occupancy.

Q. 28. Yes, statutory rights should be extended, we find no justification in levying any additional tax for this.

Q. 29. Yes, the reason is increase of population.

Q. 30. (*i*) Not at all correct.

(*ii*) This is partially the cause.

(*iii*) Voluntary and involuntary sales have been frequent owing to the raiyat being unable to pay rents and other debts due to uneconomic prices of crops.

Q. 31. The area varies in different localities. On an average 10 bighas of land. Sometimes he holds raiyati lands on payment of rent.

Q. 32. Right of occupancy should not be extended to bargadars. They are in the category of labourers. The crops belong to the owners of the land. Their interest may be protected by legislation on terms equitable and reasonable such as if they improve the land at their costs such cost should be paid to them. Panchayet system in every village to protect the interest of the bargadars may be introduced.

Q. 33. It is economically sound. The latter part of the question does not arise.

Q. 34. The effect would be that the bargadars would be rendered into so many labourers at will. The owners of the lands will try to keep almost all their lands in their khas and the bargadars will be thrown out of employment.

Q. 35. Half of the produce. Not necessary.

Q. 36. 4 to 6 annas per diem. The position of labourers are worse than bargadars.

Q. 37. We do not think that the unrestricted right of transfer has led to the passing of considerable areas of raiyati lands to non-agriculturists.

Not necessarily, any such tendency is yet absent. This tendency is possible owing to the Bengal Tenancy Act amendment in 1938.

It is not practicable to restrict by law the transfer of raiyati lands to agriculturists.

Q. 38. At least 3 bighas. The answer depends upon what is meant by an economic holding.

Q. 39. Yes.

Q. 40. Consolidation of holdings is desirable, and practicable in this way that right of pre-emption and restriction to subdivision should be made by law. Laws of inheritance both Hindu and Muhammadan should be changed then by law.

Q. 41. Yes.

Q. 42. It is not undesirable if sufficient capital is available to a tenant. The maximum should be fixed at 100 bighas.

Q. 43. We do not agree as we think coparcenary by itself is not detrimental to good cultivation. It is detrimental when it creates sub-division of holding. This evil cannot be minimised except by change of law of inheritance.

Q. 44. Nothing can be done under the existing laws.

Q. 45. If by collection is meant joint collection of rents we do not think it is desirable.

Q. 46. Yes, it was contemplated and accordingly provisions were made by the Bengal Tenancy Act for such enhancement. As a matter of fact the zamindars did not generally enhance the rents of the tenants but the tenureholders who held jamas under them enhanced rents of the raiyats as sanctioned by Tenancy Act.

Q. 47. It is not the view. The basis of such belief is that when the Permanent Settlement was promulgated it was done as a matter of necessity on the part of the East India Company who knew nothing about the country then. To avoid any unpopularity, consequent clash or revolt of the masses and loss of revenue the authorities thought it safe to hold the zamindars responsible for the fixed revenue with liberty to them to do anything they liked for the internal administration of the country. The rigour of Sunset Law for default in payment of revenue on the parts of the zamindars is an instance to show that the Company was merely concerned with the punctual realisation of fixed revenue. The sole object of the Company as it then stood was to exploit this country which was full of resources and raw materials and was not very anxious to protect the interest of the poor raiyats, although a clause was inserted in the Regulation I of 1793 reserving the right for enactment of legislations for the protection of the interest of the raiyats. The year 1885 saw the assertion of such power in the enactment of Bengal Tenancy Act.

If the fixity of rent was contemplated in the Permanent Settlement Regulation, clause to that effect would have surely been inserted; but contrary indications are found in Acts X and XI of 1859 and Act VIII of 1885.

Q. 48. We do not believe that. (*d*) The wording of sections 50 (*1*) and (*6*) of the Bengal Tenancy Act is an afterthought. Other points in this question do not arise.

Q. 49. If the rate of rent is high above the prevailing rate then levelling down the same should be provided for by law in accordance with justice, equity and good conscience. Thak maps and Survey and Settlement maps and zamindars' rent roll may be helpful materials in this respect.

It will certainly be difficult if not impossible to ascertain 1793 rents and 1793 tenancies.

Q. 50. It was not the intention of the East India Company that the rents of either class of raiyats should remain unalterable, but to clarify the position and to avoid ambiguity of law provisions were made in the Tenancy Acts for enhancement of rents on the ground of the rise of staple food crops.

Q. 51. We do not think so. The latter part of the question does not arise.

Q. 52. The system already existing seems to be sufficient. A percentage on the market value of the land is preferable.

Q. 53. No principle practically. Majority of them can be described as lump rents.

Based on cumulation of all these factors.

Yes, there is such difference in some cases. The variation is due to the conditions prevailing at different times when tenants took settlement.

Q. 54. No. Not known.

Q. 55. Yes, readjustment of rents on a uniform basis in the shape of a portion of the produce should be made throughout all parts of the province. It cannot be done without a new record-of-rights which would also record yield of each land.

Q. 56. 15th part of the gross produce.

Q. 57. It should be alterable from time to time according to the money-value of the produce and not according to the needs of the State. To prevent too frequent changes and disturbances the statutory period as in the Bengal Tenancy Act of 15 years may be fixed.

Q. 58. No advantage.

Yes, a large portion of land in Bengal would escape the payment of revenue and such proportion would steadily tend to increase.

Q. 59. It is defective because it formulated an artificial rule for finding out a prevailing rate, the size of the holding is not taken into consideration and it does not consider the price of other crops excepting staple food crops.

Q. 60. We do not object on the ground that it is the landlord: proprietor's land which is improved.

It would not be fair to secure all the benefits of fluvial action to the tenants.

Q. 61. Yes, on principle we object.

Q. 62. Yes, it is not advisable from an economic point of view.

Q. 63. No objection to this ground of enhancement.

Afraid, because neither the landlords nor the tenants can possibly prove at this time as to who actually made improvements, if any; consequently there will arise practical difficulty in giving or not giving compensation in question.

Q. 64. There should be a provision of law to this effect and full discretion be given to the judicial officers to determine fair or equitable rents as the circumstances in each case may vary. Such consideration should be limited to the time of the contract made.

Q. 65. The relevant section 104 (H) of the Bengal Tenancy Act has, we think, limited the right of suit in a Civil Court.

The amendments of sections 191 and 192 have made the matters worse confounded.

Sections 191, 104 and 75A should be consistent.

Definite rules should be made for working out fair rents so that it may be a matter of calculation only.

The defects are—

(1) No provision for settlements of fair rent of non-agricultural tenants.

(2) Absence of rules which can be easily applied and fair rent worked out.

Regarding procedure, the enquiry and trial should be made by the Civil Courts. Revenue Officers and kanungoes are not competent enough to construe leases and title deeds of parties.

Q. 66. We do not know.

Q. 67. Yes.

Q. 68. Yes, in the Sunderban estates.

Q. 69. Yes, certainly it was a mistake.

Yes, this policy has led to legitimate grievances. Recently the practice of enhancing rents of the raiyats in some places has been stopped, but the enhancement of rents of tenureholders continues.

Q. 70. The competition for lands, facilities for marketing, vicinity of towns and cities and mills are factors which tend to this dissimilarity.

Q. 71. It is a fact no remission of revenue is given to zamindars of permanently settled estates nor to the lessees of the temporarily settled estates even if the conditions are satisfied.

The reason seems to be that no Collectors want to move higher authorities for remission of revenue demand. Probably failure to collect revenue is deemed prejudicial to the Collector's chances of preferment.

Rules should be so framed as to leave it to the discretion of the Collector, and those rules should be so amended as to make remissions

to follow as a matter of course in definite proportion if there is distress or famine in any particular area.

Q. 72. Cannot say it definitely.

Q. 73. No particular evidence. But generally it is on the decrease. The reason is that fertility of the soil is damaged by continual reaping of crops, more so because no manure is given upon the land to recoup its productivity. Government has so far done nothing to increase the productivity of the soil.

Q. 74. Hardly any advantage has been taken of these enactments.

The reason is poverty and ignorance of the people.

Q. 75. Expenditure incurred on the maintenance of the staff for improvement of agriculture was always far greater than that incurred in effecting improvement. Criticism to this effect is responsible for the Government's reduction of the expenditure.

Q. 76. Salami is realised by the Government in khas mahal and also in settling waste lands. This practice is old.

The money received for salami has never been utilized for the improvement of those lands.

Q. 77. The general policy of the Government is mainly responsible for the present uneconomic condition of the raiyats for it has been so shaped that the raiyats have no control over the market of their produce. Paddy, jute and other principal productions are sold at a very low price and the Government has failed to fix minimum price for these products inspite of demands of the people. Money exchange policy is also responsible to some extent.

The modification that can be suggested is that the Government should fix minimum prices for principal agricultural products; and carry on irrigation and manuring, etc., of the lands. The Government should also look less towards increase of land revenues.

Q. 78. It depends upon the size of the average holding. If it be 1·9 acres, i.e., 6 bighas, the yield is 36 maunds of paddy, price Rs. 54. Cost of cultivation is on an average Rs. 5 per bigha that is Rs. 18 leaving him an income of Rs. 86 per annum that is Rs. 3 a month or 1 anna 6 pies per diem.

Income of the raiyats from other sources is insignificant which is ordinarily derived by them by day labour, breeding of goats and poultry farming or plying carts or boats. Average income from these sources may be 9 pies per day in the some parts of the country. Most of them remain idle in off season. We cannot say what percentage of cultivating raiyats can maintain themselves for want of sufficient statistics.

Q. 79. Not satisfactory.

The system of United Provinces will not work out satisfactorily in Bengal unless there is legal compulsion to notify changes in possession and an officer to appraise crops of each field.

Q. 80. In addition to the suggestions made we wish to suggest that the cultivators should be trained in checking animal and vegetable enemies to the staple crops and in scientific agriculture.

Q. 81. Pressure of population is not one of the main reasons.

At least half of the population is considered to be surplus. To avert a revolt the rest unemployed should be provided with employments.

Q. 82. Not only large industries to be started by the Government but also cottage industries and weaving should be revived and encouraged.

Q. 83. No sufficient organisation Government or private. Banks and warehouses are required in every village. With interest rate in the Presidency Banks at 2 to 3 per cent. there is no reason why banks advancing loans at 6 per cent. to agriculturists should not be a success.

Q. 84. No. The latter part of the question does not arise.

Q. 85. Not at all. Rate of interest is too high in some cases 15 per cent. per annum has been realised.

The co-operative societies could not benefit the agriculturists for want of sufficient capital. In some cases the societies could not realise the amounts, consequently some have gone into liquidation.

We have no information as to the latter part of the question.

Q. 86. Debt Settlement Boards have totally destroyed rural credit with the result that the agriculturists have been all the more ruined. In some cases creditors have purchased lands at a cheaper price in lieu of money advanced and regarded as consideration of the loan. Everybody wants its repeal. The High Court has repudiated the Act times without number.

It ought to be repealed at once in the interest of the raiyats.

Q. 87. We fully agree with the suggestion.

Q. 88. To our knowledge Land Mortgage Banks are very rare. We do not know how it functioned or functions.

Q. 89. With the abolition of certificate procedure which was granted to a few of the zamindars there is no machinery for prompt realisation of rents.

Most of the rent suits are decided *ex parte* yet the tenants are saddled with court fees and the landlord subjected to a dilatory process of realising rents. He has not only to pay court fees but various other legal and illegal fees most of which are not recoverable.

One obvious improvement would be if the crops are harvested and kept in custody of the landlords charged with the payment of rents.

Q. 90. Yes.

It seems to be an anomally that the khasmahals having only a small portion of rent to collect require a special procedure and the Civil Courts are thought to be insufficient even though the estates are not to be sold away under the Sunset Law while the zamindars with about 12 crores to collect and with the Sunset Law over their head are expected to survive through the process of the Civil Court.

Q. 91. A simple form would be welcome. Main provisions of the Regulations and earlier Acts should be codified in a simple Act.

Q. 92. Act XI of 1859, Regulation VII of 1822, Act IX of 1847. The Embankment Act, The Cess Act, The Primary Education Act and The Sanitary Drainage Act operate harshly upon the landlords because they make the landlord and his estate responsible to the Government for realisation of these taxes though the tenants' portion may remain unpaid. The dues under these Acts should be realised directly from the tenants.

The present amendments to the Bengal Tenancy Act are no less harsh to the landlords.

Provisions should be made in the Revenue Sale Law for setting aside the sale if sale money is deposited within 2 months from the date of sale.

Q. 93. The economic effect is that the tenants are gradually losing their lands because of the abolition of restriction upon transfers. The landlords have lost their sources of income through transfer fees. The landlords cannot choose their tenants and in some cases the tenant transferees are more influential than landlords.

Reply by Dr. Nares Chandra Sen Gupta, M.A., D.L.

Land System of Bengal.

The only test for assessing the value of a land system is to ask, does it lend itself to the utilisation of the land to the fullest advantage to the nation or in other words to the fullest development of agricultural wealth. It is by this test that I shall proceed to judge the land system of Bengal.

The total area under cultivation in Bengal is near about 28 million acres. The total value of the marketable crop—after deduction of what is consumed by the cultivators—was Rs. 72·62 crores on the average for decennium ending 1929-30 which included years when jute reached its peak prices. In later years it has approached to the neighbourhood of Rs. 30 crores.

Even taking the higher figure of Rs. 72·62 and deducting from it Rs. 12 crores paid by the cultivator as rent, this leaves an available surplus of Rs. 60 crores per annum to the entire agricultural population of Bengal after providing for food for man and beast on an extremely tenuous scale. Roughly that gives less than Rs. 30 per annum per head of the population dependant for their livelihood on agriculture.

This is bad enough. But when we remember that the agricultural debt which was estimated by the Banking Enquiry Committee at Rs. 100 crores and by the Bengal Board of Economic Enquiry at a slightly lower figure, is charged on this annual net profit of 60 crores, we can see that the position is far worse. The interest on this loan would not be less than Rs. 25 crores at a very conservative estimate, leaving not more than 35 crores for payment of the principal in part and for providing for necessities.

No wonder, therefore, that the debt of the agriculturist continues to sit on his shoulders like the Old Man of Sea. On a per capita income of Rs. 14 to Rs. 30 per year plus food the agricultural population can barely live. They can't pay their debts, and far less improve agriculture.

The value of the agricultural produce of 28 million acres of land is unconscionably low, in comparison with the value per acre in other countries. It can be raised several times over by the introduction of improved methods of cultivation, by crop planning with reference to market values, by organised marketing so as to secure the best value for the crops and in other ways.

The income of the agriculturist can likewise be increased by industrial development which will, by providing profitable employment, withdraw a portion of the population which is unprofitably

employed on the land, by an organised scheme for the utilisation of the surplus labour of the agriculturists on subsidiary industries, by debt redemption schemes and by providing cheap credit.

Each one of these schemes requires a large initial outlay. Even such a simple thing as an improved plough and better draught-cattle to draw them is beyond the resources of the cultivator to provide.

If therefore improvement of agriculture is left to the cultivator, who is the only person who has a direct interest in such improvement, it will never come.

Improvement of agriculture in the past.

It would not be quite true to say that there has been no improvement in the position of cultivators. For about three-quarters of a century now, the position of cultivators has been improved in some measure, by extension of cultivation, by the increased value of agricultural produce, particularly of jute, and by legislative limitation of the exactions of landlords. These have enabled an increasing population to get their bare sustenance from land, and a small proportion of them have been able to extend their holdings to such an extent as to be able to rise to the status of employers of labour from that of working cultivators.

This improvement has been set off very largely by a phenomenal increase in the price of agricultural land, though that may sound paradoxical. A boom in prices of commodities led to a corresponding boom in land values and an inordinate craving for more land in all solvent cultivators. They bought land at fancy prices with borrowed money. When the slump came they found themselves burdened with the debt without the means to pay even by the sale of the land.

All this improvement which was due to adventitious circumstances never made agriculture a really profitable industry. But it enabled people to live and to pay their monetary obligations to such an extent as just to take the edge off their want. The past six years have however made their condition miserable.

Beyond bringing more land under cultivation practically nothing, however, has been done within a century for improving the agriculture of the province.

Reason for stagnation.

One of the principal reasons for the stagnation in agriculture has been the land system of Bengal. For making improvements except by Government enterprise, two things are primarily necessary. Firstly

there must be interest in making improvements and secondly there must be resources in the hands of the person having such interest. In addition there must be a knowledge of the means by which the improvement can be effected.

The land system of Bengal is very largely responsible for the absence of the necessary interest and resources.

Outline of history.

I cannot go into a complete historical retrospect. But I must frankly acknowledge that when this system was given shape, towards the end of the eighteenth century, it was not only advantageous to the State but practically the only possible way for them. It was not immediately of any advantage to the landlords, but became so and continued to be so down to somewhere about the third quarter of the nineteenth century. To the tenants who were on the lands at the time of the Permanent Settlement, the system was disastrous. They were either expropriated or subjected to a terrible amount of rack-renting. The Act of 1859 tried to stem the tide of exactions of landlords, but it was not until the passing of the Bengal Tenancy Act in 1885 that a proper machinery was created for assuring to the cultivating raiyats a really effective status of qualified peasant proprietorship.

The subsequent history is interesting. The passing of the Tenancy Act did not immediately terminate the sorrows of tenants, for it took an unconscionably long time for the benefits of the measure to percolate down to the ignorant peasantry. Roughly speaking it was about the beginning of this century when survey and settlement operations were carried through on a large scale that the tenants got full advantage of the Act, and the power of the landlords was curbed.

But about that time began a movement the result of which has been that at the present moment a very large percentage of the raiyati right in lands is held by non-cultivating tenants. The cultivator is an under-raiyat, bargadar or a labourer in a vast number of cases. This has been the result of a double process. When rayati interests became valuable on account of the effective curtailment of landlord's demands, mahajans, zamindars, talukdars and middlemen became active purchasers of raiyati rights—covertly and by subterfuges mostly before the recent amendment of the Bengal Tenancy Act—and openly since then. On the other hand the improved position of the raiyat and the adventitious prosperity due to increases of prices of crops enabled the cultivators to grow richer and buy more land with the result that every well-to-do cultivator ceased to cultivate and became an employer of labour. The result is that the actual cultivator has been practically deprived of the benefit which the legislature intended for him and in far too many cases the word raiyat has become a misnomer.

Summary of the present position.

(1) The zamindars and independent talukdars of permanently settled estates pay land revenue to the extent of Rs. 2,15,00,000 odd and are proprietors of the bulk of the agricultural land of Bengal. Their proprietary right is however greatly limited, both as to the user of the lands and in respect of their claims to rent, by the rights of several grades of permanent tenureholders and by the qualified proprietorship of raiyats.

(2) The raiyats of these estates pay in rent about Rs. 8,50,00,000. So that between the zamindars and middlemen they appropriate as much as at least 6 crores and 35 thousand rupees. Or, in other words, about 300 per cent. of the land revenue of the land is appropriated by those whose present position is nothing better than that of rent collectors. In contrast to this the cost of collection in Government estates is only 8·5 per cent. of the land revenue realised.

(3) The raiyats are, in a vast number of cases, not actual cultivators of the land but exploiters of the labours of others, who work either for wages or for rent in cash or kind. It may be said that the bulk of the raiyati holdings which are not uneconomic is held by this class, so that the bulk of the profitable land of Bengal is cultivated by men who hold on a precarious tenure or are mere labourers.

(4) The ownership of agricultural land is divided. The landlord has the legal ownership, but he cannot dictate how the lands should be utilised. The raiyat has the user of the land, but if his income is improved, the landlord comes in to share it. Where there is an unearned increment due to fluvial action or rise in price of food crops, the tenant shares the benefit with the landlord. The result of this is that the landlord has no interest in improving the land except in a limited measure. He has no interest whatsoever in improving methods of cultivation or providing better marketing facilities for crops, for the benefit of it would go to the cultivator.

(5) Lastly, few people have resources for making improvement in the cultivation and marketing of crops. The cultivator owing to the fragmented small holdings has not the money to invest in improvement. The landlord has not the interest, and on the top of that he has not the means to do anything either.

Incapacities of the cultivators.

The cultivating raiyat has an interest in improving the outturn of his fields and their value, but in the first place his interest is divided, because the landlord has in most cases a right to share in the increased profit; secondly, he has not the necessary knowledge for making the

improvement. But far more important than these factors is the fact that he has neither the power nor the resources for carrying out any large improvements.

This incapacity is two-fold, legal and financial. Take such a simple thing as consolidation of holdings. Even if the cultivators between them agreed to do it by mutual exchange, they could not do it in the past without the consent of the landlord, and now under the amended Tenancy Act they cannot carry out their scheme without paying five per cent. of the value of the land to the landlord. In large areas in the province, the thing is further complicated by the fragmentation of proprietary rights with the result that a huge number of different proprietors would be concerned in any such scheme of exchange.

Other difficulties similarly follow from the fact that the raiyat is not the full owner of his land. He cannot deviate from the established mode of user of his lands without risking ejectment. If the cultivators agree to have collective cultivation, they would probably have to introduce vast changes in the mode of user of the lands. They will dig tanks and canals, set up irrigation plants and probably utilise some of the agricultural land for dairy farming, for rice mills and other machinery. In spite of the expansion of their capacity for making such improvements in the Bengal Tenancy Act, many of these projected improvements would make them liable to ejectment by the landlord. In a recent case in Midnapore the Government brought a suit for ejectment against a raiyat because on his bastu land he had erected a rice mill. If an irrigation tank was dug covering a whole holding, for the benefit of other lands of the village, it would be a clear case for ejectment as the tank would not be an improvement of that holding.

These are some of the legal impediments to improvement by the raiyat. But, as I have already observed, his financial incapacity is absolutely formidable. He has not the means to make even small improvements.

Incapacities of the landlord.

As regards landlords their interest in the improvement of cultivation is more limited. There are only a limited class of works which can be deemed to be improvements which the landlord may have registered and for which, upon such registration, he is entitled to sue for enhancement of rent (at the discretion of the Court) which may or may not compensate him adequately for improvements. If a landlord improves the profits of cultivation by introducing new and more profitable money crops, by organising collective cultivation on improved methods, or by starting a bank for providing cheap money, he has nothing to expect as a result of the increased profits of the tenantry, beyond perhaps an increased security for the due realisation of his fixed rent.

Resources of landlords.

As regards resources, the landlord has hardly any more than his tenants. Between 9 and 10 crores of rupees is retained by the landlords of permanently settled and non-permanent settlement lands, out of the rent paid by tenants, and possibly 2 to 3 crores more are realised on other accounts by them. With all that, the average landlord is not flush of cash.

Even at the time of the Permanent Settlement by the side of big zamindaris there was a vast number of independent talukdars and lakhirajdars who were pre-eminently small owners. Since that time there has been a tremendous amount of fragmentation of the estates, big and small, by reason of the laws of inheritance prevailing in Bengal as well as by partial sales. The result of this is that with the exception of a handful of landlords the rest are small proprietors who just make a living out of their estates. Another process has led to division of profits and that is subinfeudation. In some districts like Bakarganj and Noakhali the passion for subinfeudation runs so high that sometimes as many as ten or twelve grades of intermediate tenureholders intervene between the zamindar and the cultivating raiyat.

The result is that with the exception of a handful of rich zamindars the bulk of the landlords are not very well off. With further subdivision of their estates by reason of the law of inheritance their number will daily increase.

The financial condition of landlords is indicated by the fact that every year a large number of the estates default in the payment of land revenue. Out of a total of about one lakh revenue paying estates as many as 30,646 were defaulters in 1934-35, and 31,169 in 1933-34, which is nearly one-third of the total number of estates. In pre-depression days also the number of defaulters every year ranged near about 19,000 or nearly one-fifth of the total number of estates, though actual sales for default were much smaller.

No dependable statistics are available for the sales of revenue-paying estates by Civil Courts. Our experience tells us that they are many.

These defaults in the payment of the light land revenue and sales of revenue-paying estates on a large scale show that the position of the landlord class is anything but prosperous. It is a well-known fact that most zamindaris and other estates tend to get mortgaged to the hilt in three generations on an average.

Inherent defect of the land system.

I insist that this deplorable position of the landlord as a class, excluding a few very fortunate ones, is very largely due to the inherent

defect of the land system. There are extremely few landholders who are direct descendants of those with whom the settlement of 1793 was made. The bulk of the present landholders are subsequent purchasers and, in most cases, the estates have passed through a large number of hands during the years since the Permanent Settlement.

This was inevitable. The profits of the zamindar have all along been unproductively consumed. The man who took a zamindari did so in order that he might live in comfort on a secured income without doing any productive work. So long as he had plenty of money he lived well and got used to living well. Investment, except by way of buying more zamindari or lending money to tenants was practically unknown to the zamindar.

Fragmentation by the operation of the law of inheritance reduced the income to decreasing fractions. But the descendants of the one-time rich zamindar neither reduced their style of living nor sought other ways of earning money. Hereditary indolence, attachment to the land and aversion to go abroad and numerous other psychological factors held them to their post so long as the value of their lands gave them sufficient credit. This process working for three or four generations led inevitably to expropriation.

Non-permanence of permanent estates.

Lord Cornwallis by his Permanent Settlement Regulation sought to create a class of great landowners who would devote themselves to the welfare of their estates and form a stable aristocracy of the land. He overlooked the law of inheritance. A big owner of an entailed estate might reasonably fulfil that expectation of Lord Cornwallis but not men governed by Hindu or Muhammadan Law whose big estates had an inevitable tendency to dwindle in the hands of successors to nothingness.

This want of permanency of the permanently settled estates has been one of the saddest features of the economic life of the province.

Land draws all the wealth.

In 1793 the zamindaris were not very profitable but they carried a large amount of power, prestige and dignity. By the middle of the nineteenth century zamindaris became very profitable and though the power of zamindars had been largely shorn by the extension of centralised administration, the prestige and dignity of the zamindar remained as high as ever. For these reasons zamindaris and talukdaris came to be prized above every thing else as forms of investment.

From that time on there has been a great flow of the nation's capital into this channel.

In the forties and fifties of the last century Bengalees took kindly to trade and established large business houses of all sorts. Export and import, mining, plantation, indigo factory, water transport and numerous other forms of business, besides inland trade, were largely manned by Bengalees some of whom made huge fortunes therein. Government services furnished another source of wealth. The legal profession overflowed with wealth. All the huge earnings of the giants as well as the dwarfs of these vocations went to the purchase of zamindaris and talukdaris. Crores upon crores of rupees of the nation's capital were so invested with the object of securing a safe income upon which one might live without working. The result was a starving of trade and business which rapidly went into other hands.

The great sink for national wealth.

Meanwhile the incessant flow of wealth into land inevitably ran to waste in a few generations. When an estate purchased for a lakh of rupees is sold in forty years for arrears of revenue or in execution of a mortgage decree, what does it mean but this that the entire lakh of rupees has been unproductively consumed in all these years. In this way crores upon crores of rupees of national capital which, otherwise invested, might have brought prosperity, have been utterly wasted.

Where the estate has not been sold but is under a mortgage, the amount of the mortgage represent the value of the capital unproductively consumed.

Several crores of rupees are at the present moment invested on a mortgage of zamindaris, talukdaris and intermediate rights. It means so much national capital locked up in land, because land has so long been such a good investment. The Bengalee capitalist would as a rule fight shy of lending money on a business, however solvent, but he would not think thrice before he forked out the money for a zamindari.

Land—I mean zamindari land—has been the great sink which has drawn to itself in an incessant flow all the surplus wealth of the country from all sources.

Not a good investment.

Financially the zamindari is not a good investment. Many of the zamindaris of to-day have been purchased by the predecessors of the present proprietors in the days of the boom when prices ranged from

forty to sixty years' purchase. The profits which were rising then have now fallen, and it is doubtful if any zamindari now yields a net profit of two per cent. on the original cost.

Endowment of idleness.

Besides, it is an endowment of idleness and breeds its usual accompaniment of parasites. It does not tend to create the active habits of mind, that perpetual wide-awakeness to environments which is a *sine qua non* of success in trade or profession. As a training of national character it is terribly depressing.

No good to any party.

At the present moment it is doing good to nobody.

It is doing no good to the Government which is losing to the tune of crores of rupees in land revenue which it might easily have raised otherwise.

To the cultivator it has not succeeded in providing a profitable industry. The tenancy laws which have assured a definite status to the raiyat have not always benefited the actual cultivator. And, what with the endless subdivisions and with the perpetual indebtedness of cultivators, uneconomic holdings are growing, where they are not passing out and accumulating in the hands of non-cultivating raiyats.

To the landlords it has done no good. The original Permanent Settlement-holders have mostly been long washed out. The present-day holders are mostly subsequent purchasers who have purchased the estates at prices which give them less than 2 per cent. return on that outlay and a precarious one at that. They are daily being sold out, not necessarily because of any inherent vice in the men but because of the inevitable tendency of the system. A pathetic clinging to bad investments till you are sold out is a feature of landownership in every form. Besides landownership ties you more or less to a locality and cramps your capacity for development. And the occupation of a rent receiver has a toxic quality all its own—which promotes indolence and incapacity for active work. In all these ways landownership has done no good to the landlords.

It has been the prime source of economic stagnation and degeneration of the province.

What is the remedy?

The answer which is glibly given, often without thought, is to abolish the Permanent Settlement. If that means the abolition of the mere

permanency of the settlement it will do no good to any one, beyond bringing a little more money into the hands of the Government.

The root of the mischief is the zamindari system and not the Permanent Settlement. The abolition of the zamindari system and a redistribution of the land among cultivating proprietors each of whom would have an economic holding and pay reasonable taxes assessed on their income as a basis for the future economic structure of society would be an ideal arrangement, and any programme which will lead to the realisation of that ideal would be deserving of every consideration.

With regard to any such programme we have to bear in mind the fact that under the Government of India Act of 1935 no Indian legislature can take away the rights of zamindars and middlemen without compensation.

Purchase of zamindaris—practicability.

Compensation must therefore be paid to the zamindars and middlemen before such a programme can be worked out. At 15 years purchase the value that would have to be paid to the zamindars and middlemen together would be roughly 150 crores of rupees.

To enable the country to pay the interest and contribute to the sinking fund for such a heavy loan the profits from agriculture has to be very largely increased. At present, as we have seen, the total value of the marketable crop of Bengal cannot be calculated on an average at beyond 50 crores of rupees, though in prosperous years it has gone to the neighbourhood of 80 crores. Out of this you have to provide for roughly 2½ crores of the agricultural population. The total value of the crop hardly suffices to keep this population in comfort and is not likely to yield such a surplus as would suffice to provide the interest and sinking fund for the loan.

The buying up of zamindaris and intermediate interests in order to be of any use must therefore follow and not precede a programme for increasing the agricultural wealth by an aggressive economic policy.

Increase of agricultural wealth the primary problem.

Whether you seek to buy up zamindaris or you leave them there, the primary problem therefore is to increase the agricultural wealth so as to make agriculture a profitable industry. If you can succeed in multiplying the wealth, the purchase of zamindaris would cease to be an urgent problem and might be worked out at leisure.

Planned production and marketing.

I am very definitely of opinion that it is possible substantially to increase the agricultural wealth of the province by a great programme of improved methods of planned production and co-operative marketing of agricultural produce, of development of industries, notably subsidiary industries, in several areas, and of a rural banking system to finance the programme.

Elsewhere I have given an outline of such a scheme and I have repeatedly requested the Government to start a few experimental stations where the scheme may be tried at a low cost. I have not yet succeeded in getting the Government interested in the project. But I am confident that if experiments are made on those lines they will succeed, and if success is achieved in these experiments the economic problem of Bengal will be solved.

The effect of the organisation which I visualise as the end of that programme would be that the resources of the province with its rich land and teeming labour would be put to the fullest use under the guidance and control of expert agencies which will be in a position to deal with the economic resources of the entire province as one whole and under whom the labour of each man will supplement that of every body else in the province and jointly build up a rich fabric of prosperity for the province. That economic structure will solve every problem and find work and wages for all, zamindar and peasant, bhadralok and labourer, and make them all prosper.

Reply to the questionnaire.

Q. 1. I cannot accept this analysis of the objects of the Permanent Settlement as an exhaustive one. There is no object clause in the Regulation which purports to set out the complete purpose of the law and this has to be gathered from the provisions of Regulation I of 1793 as well as the Decennial Settlement Regulation and the minutes conveying the proposals to the Court of Directors. Thus viewed, the objects of the Settlement would seem to have been not only those set out in the question but also at the same time to secure a complete record-of-rights of tenants of all classes and a comprehensive adjustment of all matters relating to the land system. In point of fact it is true the other aspects of the two Regulations got lost sight of and came in course of time to be abandoned but the original object was certainly to settle the rights of all parties concerned in land.

The Permanent Settlement did not certainly take away any existing rights of tenants, but on the contrary sought to safeguard them. But

the effect of the measure was exactly the contrary. By the abandonment of the clauses of the Decennial Settlement Regulation designed to settle in a firm manner all existing rights of istemraridars and khudkasht raiyats and by overemphasis on the proprietary rights of zamindars and their free power of disposition of their lands which they first acquired under the Decennial Settlement, zamindars were placed in a position to override the long established and customary rights of these tenants.

Q. 2. In respect of waste lands and lands in their khas possession, yes. But in respect of tenanted lands, no.

Q. 3. This question is a very large one. On the whole the only part they have played in the economic development of the country is by extending cultivation, though less by their positive effort than by reason of the normal increase of demand for land with growing population.

As a body the zamindars have not fulfilled the functions expected of them. They have seldom laid out capital or enterprise to improve cultivation, and by subinfeudations on a wide scale as well as by inordinate exactions made by them from tenants before the Acts of 1859 and 1885, they have definitely belied the expectation that they should extend to their tenants the same generous treatment that they got from Government.

The reasons are many. Firstly, the zamindars with whom the Permanent Settlement was concluded were not good businessmen but were luxury-loving aristocrats entirely in the hands of their agents. A great many of them lost their lands as a result and were succeeded by a different class who laid out their capital to purchase estates and were themselves better businessmen, though principally in their capability for feathering their own nests at the cost of tenants. But their "heirs and successors, again becoming less active and more extravagant..... frequently ran into debt and brought their estates into the market." The statement to this effect made by Raja Ram Mohan Roy in 1832 sums up the first aspect of the question. In hereditary zamindars there was no sort of guarantee of efficiency in management; on the other hand, the increasing unearned income from zamindaris and the facility with which loans could be obtained against them promoted and encouraged indolence and extravagance.

Secondly, the new class of zamindars by purchase had invested a large amount of capital and strove above all to get as high a return for it as possible, not by improving cultivation as they might have done but by putting the screw down on raiyats for which they had ample facility till the Bengal Tenancy Act effectively curtailed their powers and in fact for a long while after that until survey and settlement

operations carried out on a large scale for the first time acquainted the general body of raiyats with their legal rights.

Q. 4. Both questions are capable of an affirmative and a negative answer. The zamindars with whom the Permanent Settlement was made were, some of them, successors to feudal or semi-feudal landlords who were proprietors, though their proprietary right was hemmed in by customary rights of tenants; others were merely rent farmers; a reference to Firminger's introduction to the Fifth Report will show this.

Q. 5. I consider the question to be irrelevant. Assuming everything in favour of the solemn covenant, it is assuredly of no greater sanctity than the Magna Charta or the Petition of Rights. Yet, no one in England can question the undoubted right of the Legislature to abrogate these laws if they think that the interests of the State demand it. Very little of the Magna Charta remained untouched by the DORA during the War. If therefore the interests of the country demand the change, no sanctity of contract can be set up against the right of the Legislature to make it.

The question therefore is what the present requirements of society demand. If an abolition of the system is clearly indicated, the only question would be one of adjustment of the disappointed expectations of the zamindars so far as such adjustment is consistent with the interests of the State.

I do not rely on the argument which is more or less of a pettifogging nature that the tenants were no party to the contract.

Apart from the larger question of the economic needs of the country which must be the governing principle, even within the four corners of a legalistic argument from contract it is permissible to say that the contract of Permanent Settlement, so far as it was a contract, related only to the fixation of the land revenue payable. No other question was fixed by the contract. The status of zamindars as actual proprietors was assumed and was not an operative part of the contract, and, by the Decennial Settlement Regulation full power was reserved to the State to make laws for the protection and benefit of tenants. No legislation therefore which seeks to define, stabilise and improve the position of tenants can be attacked as a breach of contract if the land revenue is not raised.

Talking of the contractual rights of zamindars, one thing is seldom talked of. Zamindars are, in one respect, enjoying rights far in excess of what they bargained for.

By a Regulation passed before the Decennial Settlement all sayers were resumed by the Government. The idea obviously was that these

rights were in the nature of franchises which, in English law, do not go with the ownership of land. The object of this legislation was to resume to the State all such rights. The Decennial Settlement excluded all sayers from the assets of proprietors. The idea of realising sayers by the State was eventually abandoned for the time being, but it was never re-granted to the zamindars.

Yet, zamindars have since then systematically realised all sayers and these form now a no inconsiderable portion of the assets of a great many zamindaris. It is true that their right has been subsequently recognised by the Suddar Dewany Adawlut and the High Court, on an interpretation of the Regulations which is entirely unsustainable. But reading the Permanent Settlement as a contract, there is no room for any legal claim by the zamindars under this contract to realise tolls from hats, gunges, bazars, or ferries or khutagaries *ad hoc et genus omnie.*

Q. 6. I have already answered this question before. I think that the increase in area attributable to the third cause has been infinitesimal. The two other causes, as well as the increase in value of agricultural produce like jute have been responsible for the great bulk of the increase.

Q. 7. I do not think any reliable figures are available. My impression is that the most potent factor has probably been the increase in the value of agricultural products—notably jute.

The improvement in the rent roll has been greatly due to the industry and good management of the zamindars in this that the capable zamindars, not forgetting the talukdars, perfected the system of rack-renting before the rent laws limiting their exactions were passed. Except developing this system to perfection the zamindars have not shown very remarkable industry and good management in developing the resources of the country. In the Sundarbans and some other areas, they had to make outlays in reclaiming and protecting the lands, but over the bulk of the province reclamations have been made pre-eminently by tenants.

Q. 8. Not before 1885 or probably later. Since the provisions of the Bengal Tenancy Act came to be widely known the zamindars have not been guilty in a very large measure of want of moderation to the extent to which it was required of them by the Bengal Tenancy Act.

Q. 10. I think that the land system inaugurated by the Permanent Settlement, whatever its benefits in the past, has long become economically disastrous for the province. *See* my note on the Land System in Bengal.

Q. 11. Each of these criticisms is fair in part, but some of these lose sight of some facts.

Thus, for instance, the implication of the first criticism that zamindars are getting more from land than they have earned, lose sight of the fact that a great deal of new capital has been laid out on the purchase of estates. Judging from the point of view of return of capital laid out by purchasers of estates, these properties hardly yield a fair rate of profit to late purchasers.

With regard to (*iv*) the overlordship which was a potent social factor in the eighties of the last century has become less than a mere shadow now.

As for enhancement of rent, it would be hardly fair to attribute it wholly or even substantially to the Permanent Settlement. A comparison with khas mahal rents as well as with the rents in raiyatwari provinces, do not make out that the burden has been greater on account of the Permanent Settlement.

Q. 12 to 18. My reasons for the abolition of the Permanent Settlement are solely based on the disastrous economic consequences of the entire land system based on it, which I have expounded in my note on the Land System in Bengal and not on any of the grounds in question 11.

If nothing else is done, the abolition of the Permanent Settlement or even of all intermediate tenures would be of no use whatsoever.

If land continues to be cultivated by a multitude of starving cultivators without resources to make agriculture a profitable industry, the mere removal of the incubus of landlords and the substitution for it of the State would be of no benefit whatsoever.

While I hold and insist that the whole land system should be radically recast on lines which would enable the country to get the utmost value from its resources in land, I hold as strongly that if such readjustment is not made, the mere abolition of the Permanent Settlement would be an wanton act of spoliation and breach of faith to no purpose.

To judge the effect and extent of such spoliation it will be necessary to remember that since 1793 tons of capital has flown into land, not for improving the land, it is true, but to buy the estates on the faith of their being what the laws of the time said they were. The rights of these purchasers may require to be abrogated, if necessary, in the higher interests of the community, but simply to drive a coach and four over those rights without increasing the general resources of the country by a great constructive scheme of reconstruction would be wicked and unjust.

And we have to remember the repercussions of such a measure. A very large population, parasitical it is true, are now feeding on these rights and the land forms the economic basis of all the contribution that intellectuals drawn from their ranks or maintained by them have made to the welfare and advancement of the country. To tear them from land and set them adrift in the world may be necessary in the larger interests of the country if such interests are visualised and adequately provided for in the scheme, but without such provision such a measure will cause great harm to the social well-being of the province without any compensating advantage.

The fundamental thing wanted is to make the land capable of yielding a great deal more of wealth than it now produces and to enable it to support the population depending on it in a reasonable standard of comfort.

At present the uneconomic holding is the rule rather than the exception. The man who tills it has not the resources even to buy the seed. The outturn he gets from it is not usually enough to maintain his family for even six months in the year.

This evil can be got rid of in one of two ways, (1) a drastic redistribution of holdings with units not less than say 3 acres for a holding, coupled with laws forbidding subdivision below that limit, and (2) collectivation. The first would be a change far too revolutionary. The second on the other hand is a method which can be made to succeed by a sustained programme pushed through with all the resources of the Government.

If collectivation is deemed too ambitious, at least some modified form of cultivation on a co-operative basis may be tried for a start.

That being the objective, the whole land system should be so organised as to remove all impediments to collectivation or co-operative farming on a profitable footing.

The greatest impediment is the complex heirarchy of landlords, further complicated by the fact that the estates of these landlords themselves often consist of undivided fractions of lands.

This system can be got rid of by one of the following decrees:—

(1) Buying up all estates, tenures, as well as raiyati rights of non-cultivating raiyats, so that the cultivating raiyat should hold directly under the Government.

(2) An arrangement by which not more than one landlord responsible for the revenue should intervene between the State and the cultivator.

I need hardly point out that I do not look upon the statutory raiyat who does not cultivate as entitled to a status other than that of other middlemen.

The first of these schemes, if the necessary finance and administrative machinery is available, would be the best.

To carry out the scheme we should have to proceed in the same manner as in land acquisition proceedings. The rents paid by cultivating raiyats being taken as the basic assets it will have to be capitalised on the basis of say 15 years' purchase. From this capital value will be deducted the capitalised land revenue. The result would be the entire compensation which will be divided between the various interests on the lines of apportionment proceedings in land acquisition cases.

In calculating the basic assets, I would not make any allowance for prospects of enhancement of rent. But if such allowance is made it should be a small fixed statutory percentage and not left to be determined by the facts of each case. And I would reduce the amount where reduction of rent is called for in the estate.

The amount of compensation payable to the land owners should be paid by bonds redeemable in lots at the end of say 40 years.

There are two difficulties which have to be faced in this scheme. First of all the question of finance would be formidable.

On a rental basis of 16 crores the compensation payable would be Rs. 240 crores at 15 years' purchase. But in fact it would be considerably more, as the interests of non-cultivating raiyats being included, the rental basis would be considerably larger, possibly in the neighbourhood of Rs. 300 crores. For service of this loan, including 3 per cent. interest and say 1½ per cent. sinking fund, we shall want an annual sum of Rs. 13,50 lakhs.

Assuming the rent realisable from tenants to be Rs. 20 crores, we have to set off against this the cost of the huge establishment that would be necessary to realise this rent. Assuming that the present rate of cost of management of khas mahals, viz., 8·5 per cent., can be maintained, the cost of this establishment would be at least 170 lakhs. So that the net realisation of the rents would be nearly 18 crores.

On the basis of a cent. per cent. collection this would leave a margin of Rs. 450 lakhs after paying the amount payable for the service of the loan.

Against this will have to be set off the total loss of land revenue which would have been redeemed by capital payment though merely by a book entry.

Considering that the cost of management may not be kept down to 8·5 per cent., and that a hundred per cent. realisation is not to be looked for, this does not in my judgment leave any margin for safety, while it makes it impossible, until this debt is redeemed, to make any substantial outlay for improving the condition of the cultivating raiyat.

These figures make the financial aspect of this venture far from encouraging.

Then there is the question of the organisation of the rent collection on a raiyatwari basis all over the province. To say the least of it, it cannot be done overnight.

The work of this organisation will take years. And the preparation and maintenance of a record-of-rights will involve not only a large outlay but enormous labour spread out through years.

To some extent the difficulty may be minimised by working piecemeal instead of buying up all estates in one deal. From the organisational point of view this scheme would give some advantage. But the financial aspect of it would not be materially changed by it.

I should therefore prefer that the Government should not embark on any such ambitious project just yet, though power may be taken immediately to acquire zamindaris on these terms at any time.

The second alternative which I suggest has the merit of not involving any outlay and not forcing on the Government the organisation of rent collection immediately.

On this scheme the land laws should be recast on the following basis:—

(1) There should be a simplification of the Land Register by eliminating all small and fractional tauzis so that each estate on the Land Register consists of substantially large and compact areas of land.

(2) For each such tauzi there should be one landlord responsible for the revenue and directly under him there should be the cultivating raiyats.

That would mean the elimination of (*a*) the holders of small tauzis and lakhirajes scattered about the area of a large estate and (*b*) of all but one of the heirarchy of landlords that exist now.

I do not propose that these should be expropriated or bought off. They should have no interest in the land. Their interest would be converted into a charge on the rents obtained by the zamindar paying revenue to the Government.

I shall illustrate by an example. Parganna Sultanpur forms a single compact block of land which is suitable for being formed into one estate.

Within the area of this parganna there are several small kharija taluks with net assets of Rs. 10,000; lakhirajes with net assets of Rs. 10,000; various under-tenures with net assets of Rs. 10,000; raiyatis held by non-cultivating raiyats with net assets of Rs. 20,000.

The rent roll of the cultivating tenants in the entire area is Rs. 2,00,000. The land revenue payable for Sultanpur is Rs. 2,000 and for the kharija taluks Rs. 1,000.

Now under my scheme, the entire area of Sultanpur Parganna should be made into one estate paying Rs. 3,000 as land revenue.

Let us say *A* is the zamindar of Sultanpur, *B*, *C*, *D*, the tenure-holders, *E*, *F*, *G*, the kharija talukdars and lakhirajdars, *H*, *I*, *J*, the non-cultivating raiyats.

A will be the proprietor of Sultanpur who will collect from the cultivating tenants the entire rent of Rs. 2,00,000, and pay the entire revenue of Rs. 3,000. But he will have to pay out of this income the sum of Rs. 10,000 to *B*, *C* and *D*, Rs. 20,000 to *E*, *F* and *G*, and Rs. 20,000 to *H*, *I* and *J*.

Where the basic rent of Rs. 2,00,000 is reduced on principles hereafter stated, there will be a proportionate reduction of these charges, that is to say *B*, *C*, *D* will get 1/20th, *E*, *F*, *G* will get 1/10th, and *H*, *I*, *J*, will get 1/10th of the entire reduced rent.

The rights of *B* to *J* would not be rights to the land but a charge on the rents. The simplest means of enforcing this charge would be for the Government to realise these Rs. 50,000 along with the revenue and distribute it to those entitled to it, as malikana is distributed. Or these charge-holders may be allowed to realise it by mortgage sale of the entire zamindari.

There may be cases in which *A* may refuse to engage for the zamindari on these terms. In that case the settlement may be offered to tenureholders, lakhirajdars and middlemen raiyats in such order as may be reasonable, but so that no more than one person shall engage for the revenue. And whoever becomes the zamindar by such settlement will be liable to pay off all charges. If everybody refuses, the estate may be managed khas and the profits distributed among the charge-holders, leaving the balance to the Government.

This will at once remove from the land all persons except one zamindar and his cultivating tenant, simplify the land laws enormously and make it possible to carry out collectivation or any other project for the improvement of the peasantry without having to count a multitude of proprietors and sub-proprietors. And this reform can be carried out without any capital outlay and without immediately taking up the burden of rent collection all over the province.

Q. 19. No.

Q. 21. The beneficial effect would be nil, if we stop at the purchase of tenures. If a whole scheme of planned land reform is carried out, the danger of atomised society following from it would be averted by the organisation of the people into co-operative units.

Q. 22. In any scheme for elimination of zamindars and tenure-holders, the ownership of the homesteads and khas lands must be left with the expropriated owners. On my scheme above given the homestead and khas lands, if cultivated by the holder himself, will be made liable to rent paid to the zamindar. If khas lands are not cultivated by the owner, it will pass with other lands of the estate and will be taken into consideration in calculating the assets in respect of which he will have a charge on the rental.

Q. 23. The occupancy right is a creature of legislation. It approximates to the status of the old khudkasht raiyat, with rights better defined but less extensive.

Q. 24. This question has the look of a very controversial question because it is possible to pick out texts of Hindu Law which give apparently conflicting views on this question. The law actually in force in Moghul times which was not the law of the Shariat also gives no unambiguous indications on the point.

In considering all this evidence, the trouble arises from the fact that we seek to interpret it in terms of a highly technical analysis of the concept of property, derived from Roman jurists and developed by modern jurisprudence. If we remember that these concepts as analysed by modern or even Roman jurists were not present to the text writers we should be able to approach the question from a proper perspective.

For one thing, we must remember that these ancient texts deal with concrete land and not the abstract concept of ownership in land. In the second place, we must remember that ownership in ancient times did not necessarily imply a free power of disposition. Thus a Hindu according to ancient texts was the owner of his lands, but he had not the power according to those texts of selling or disposing of it without the consent of his sons. According to yet another text land could not be transferred without the consent of co-villagers, agnates, the chief, and of heirs. It is true that in one text the sons and grandsons are mentioned as equal owners of the land, but that was a later logical explanation of the fact of inalienability of land.

When a tenant held land under another person, it would be quite possible for the landlord to say "the land is mine" and for the tenant also to say that the land was his. That had no reference to the question as to what exact rights each had in the land. Isolated texts which say that the land belonged to the king or the chief or the tiller would

therefore not necessarily convey the notion that ownership in the land in the modern sense belonged to either.

It would be quite correct to say that the land belonged to the king and he could grant it to whom he liked. It was equally true that the land which he tilled belonged to the cultivator. He expected to go on cultivating it for all time subject to payment of the king's share to the king. It would be as true again that the land which the king granted to a person belonged to the grantee.

Any person to whom land was granted by the king or Samanta would be entitled to enjoy all waste land as he chose. But where there was a tiller on the soil, the grantee would not be entitled to oust him but only to receive the king's share from him. It also appears that grantees of land who were Brahmans and Kshattriyas usually cultivated the land by labourers who were their clients or let it out on a system of barga. But by custom everybody who was on the land in any capacity was expected to continue on the land in that capacity from generation to generation.

This was the state of facts indicated by the texts. It would not be possible on this footing to fix the seat of the absolute ownership in the land where the same land was owned by two persons each in his different right.

Q. 25. The protection which was sought to be given to occupancy raiyats was meant to be and could only be justified on the footing that the occupancy raiyat was the tiller of the soil. In my opinion the benefit ought to be restricted to the cultivating tenant or bargadar, and it should be withdrawn from all others as well as from all tenants of land not strictly agricultural (including the homestead of the cultivating tenant himself).

Q. 26. (*a*) These should have protection only to the extent of land cultivated by them including land temporarily sub-let by them for a maximum period of nine years.

(*b*) These should be placed on the same footing as tenureholders except where sub-letting is temporary for a maximum period of nine years without renewal.

Q. 27. I do not think so. There should be no occupancy rights for non-agricultural tenants.

Q. 28. No such lands should automatically go out of the protection of the Bengal Tenancy Act except where diversion is temporary.

Q. 29. Yes. The increase is due to the increase in the value of raiyatis and the economic helplessness of cultivating raiyats which has led to the continuous purchase of raiyats by non-agriculturists.

Q. 30. The suggestions are correct. The other and primary causes are those referred to in the last answer.

Q. 32. Yes.

Q. 33. It is not. The solution in my opinion lies in the drastic reconstitution of the land system suggested above.

Q. 34. I do not think there is any reasonable apprehension of the results apprehended in the questions materialising.

Q. 37. My answer to all the questions is in the affirmative.

Q. 38. It is not possible to lay down any general rule for all lands. The economic holding is one, which, properly cultivated, will yield enough to support the tenant's family and yield reasonable return for his capital outlay. The size would therefore depend on the fertility of the soil, the nature of the crops that can be grown on it, the methods of cultivation and climatic factors. It must be different in different regions. As a rule of the thumb a cultivated area of three acres plus a reasonable homestead would seem to be about the minimum.

Q. 39 to 42. Many holdings are uneconomic and more are becoming so by fragmentation due to inheritance and transfer. On the other hand, in the hands of more opulent tenants small holdings are tending to some extent to be consolidated.

Uneconomic holdings must be got rid of unless some scheme of collectivation can be devised. Collectivation would of course remove the evils of uneconomic holdings.

Consolidation, by giving facilities for exchange, would operate only where the tenant has a fairly large area of land in separate and distant plots. It would be of no help in the case of cultivators, who are not very few, whose total land holding does not reach the economic limit.

No voluntary scheme can achieve all round consolidation of lands into compact economic holdings. The only effective means would be a compulsory re-distribution of lands.

A scheme, which if not seriously resisted by agriculturists could be effective, would be to acquire all agricultural lands in the village by payment of compensation and re-allotment of lands in compact blocks in lieu of the compensation. This would necessitate the buying off of some small tenants and where individual holdings are too large the allotment of a smaller area. In such cases money compensation will have to be paid, such money being recovered from those to whom larger allotments have been made.

Such a scheme would be so revolutionary however that it will certainly lead to a great volume of agrarian discontent. I would therefore

recommend an aggressive programme of collectivation as the better alternative.

No scheme of consolidation will be of any avail unless further fragmentation is effectively prevented. This can only be done (*i*) by invalidating all transfers of portions of holdings if the effect of it is to reduce either part to less than the economic limit; and (*ii*) by providing that where a holding is inherited by several heirs if the division among heirs results in producing uneconomic holdings, the holding shall be allotted to only one heir, the rest being compensated in money.

Q. 44 and 45. On my scheme the question will not arise. If co-sharer landlords are retained, I do not think it would be feasible to compel joint collection.

I contemplate that in any future scheme the landlords' demand for rent should be fixed and certain. In that case the tenants cannot be seriously harassed by reason of the coparcenary.

Q. 46. It would be rash to say that the Regulation did not contemplate any enhancement of rent. It only contemplated that the customary or contractual rights of tenants as embodied in their pattas should not be encroached upon. It also envisaged the existence of tenancies whose rents could not be enhanced. But that it did not contemplate the enhancement of rents of paikasht tenants by custom would be a bold assertion not justified by evidence.

Q. 47 and 48. See last answer. I do not think that the rents of any tenants except istemraridars, mokararidars and khudkasht tenants were regarded as fixed. None of the grounds referred to in question 48 justify such a conclusion.

Q. 49. No case for such reduction can be justified on any such abstract considerations, and of course there is great paucity of materials for determining the rents at the time of the Permanent Settlement.

We must remember that the zamindars of to-day are not all or even most of them those with whom the Permanent Settlement was concluded. Most of them are purchasers at a time within 30 or 40 years from now. Such persons have purchased the properties on the footing of rights under the laws as they stood since 1885. As it is, many of these properties were purchased at very high prices so that their yield on capital outlay often comes down to less than 2 per cent. per annum.

Under these circumstances there is no rule of abstract justice or equity which can justify the reduction of rents received by them.

The question of reduction of rent cannot be judged from such abstract considerations based on supposed terms of an ancient contract

in disregard of all subsequent history. Reduction of rent can be justified and will be imperative only when it appears that the land is not capable of bearing the rent assessed on it. If the entire outturn from a plot of land at its present money value comes to Rs. 5 or 6, it would be absurd to say that it should bear a rental of Rs. 3 and leave next to nothing to the cultivator as recompense for his labour and outlay.

There are many parts of Bengal in which the rental has become too high from this point of view. In other parts the rent is a very small fraction of the entire yield. In the former case a reduction of rent would be called for, but not in the latter, and the only valid ground for reduction would be the economic ground.

Q. 50. I consider discussion of this question to be fruitless. Whether it was a mistaken policy or otherwise to let the landlord have a share in the unearned increment of income from land in the past, I think that, for the future, it would be sound policy to lay down that all unearned increment should go to the tenant.

Q. 51. I do not think that it would be legitimate to infer that this was the intention of the Permanent Settlement Regulation. As regards pargana rate, I doubt if the Regulation considers the rate to be unalterable either.

Q. 52. I wholly repudiate Ricardo's theory of economic rent and do not consider any adaptation of it to be justified. I consider none of the six bases for adjustment of rent as the proper one.

The general policy, with proper exception in hard cases, ought to be to make no attempt to assess the justice or otherwise of past rents, but to proceed on the basis of existing rents as facts. I should therefore not enter into any discussion as to whether they were justifiable except on the sole ground that the land is economically incapable of bearing the burden. For the future the law must be stated on the footing that the landlord should be entitled to just so much and no more as rent, as would give him a reasonable return for the present capital value of the property.

This would be a compromise between the principle, which I hold, that no person has any moral right to any profit from land on which he does not work, and the existing fact of vested interests. Property in land has till now been recognised, with the result that the proprietor as such has acquired a vested right to some benefits from his land. Except in cases of economic necessity I would not interfere with the vested right so far as it goes. But I would forbid its further extension. For the future, all benefits of the land, save so much as is covered by interests already vested, should go to those who work it.

On this footing there should be no question of settling fair and equitable rent. The landlord would be entitled only to the legal rent which will be fixed on the above principle, which I shall illustrate by an example.

Suppose an estate or a tenure covers an area of 1,000 acres of which the present market value is Rs. 1,00,000, and the net rent (after deducting head rent or land revenue, etc.) is Rs. 3,000. This means that the land yields 3 per cent. on its capital. The legal rent would therefore be Rs. 3 per acre which would ensure for him a reasonable return for his capital outlay. This should be the rent fixed for all lands on which the rent has not yet been settled. As regards land which is already tenanted there must be no further increase.

If, on the above basis, the rent comes to say Rs. 20 per acre, that would be excessive if inquiry shows that the land is not economically capable of bearing that rent and this must be reduced to a figure at which land can be profitably cultivated, given holding of an economic size.

Q. 53 and 54. In my limited experience I have found the fact to be that rents are determined largely by custom. But the customary rate tends to change and grow by the combined effort of landlords to push up rates by taking advantage of competition in settling new lands. I have not found that richer tenants pay low rates in my experience.

Q. 55. A uniform rate for the entire province is impossible. Two considerations should govern the assessment of rent, (1) the vested right to existing rents, and (2) the economic capacity of the land to bear it. The money value of the crops, the yield per acre as well as the labour and cost of the agricultural operations in the different regions widely differ. The economic capacity of the land to bear a rent would accordingly differ. On the other hand, existing rents, which should not be disturbed, unless necessary, also vary widely. In these circumstances a flat rate for all Bengal cannot be thought of.

Q. 57. The rent should be fixed but not under any absolute guarantee of permanence. A change in economic conditions may necessitate an alteration in the future for the benefit of cultivators. That should not be shut out by any undertaking which, like the Permanent Settlement, may be set up as an unalterable contract. I contemplate that any future alteration must be by a fresh legislative Act.

Q. 58. On grounds of administrative convenience I am against agricultural income-tax in the place of rent. Besides, rent is a well understood and fixed liability which involves no inquisitional investigation and offers no opportunity for evasion. Income-tax is the reverse of this and it will take years before the agriculturist gets used to it.

The resulting dislocation will have fearful repercussions on the revenue.

While I am opposed to agricultural income-tax as a substitute for rent on these grounds, I am not scared by the possibility of low yielding lands being held free of taxation. There is no moral or economic ground why some lands may not be held free from payment of revenue.

Nor am I opposed to agricultural income-tax by itself. On the other hand, I think that if rent and revenue are now scaled down and fixed on a low basis, income-tax may be safely and justly imposed to tap the future surplus income thus set free for purposes of revenue when necessary.

Q. 59 to 62. The provisions of the Bengal Tenancy Act regarding enhancement are based on altogether wrong principles. My view of the principles on which rent should be fixed I have already stated.

The Bengal Tenancy Act seeks to give the landlord a share in the unearned increment. There is nothing wrong in the idea once you concede that ownership of land gives title to a share of the profits from its use. I do not accept that principle, and would like to see the principle to be abrogated in the case of all capitalists. There is certainly an element of injustice in seeking to deprive the landlord alone among capitalists of unearned increment while all other capitalists like miners, jute-mill-owners and others, enjoy in a far larger measure the fruits of such increment. All sheep should be shorn in the same measure if you want justice.

Assuming that unearned increment may be shared by the landlord, there is nothing wrong in the provisions of the Bengal Tenancy Act. Fluvial action or rise in prices may not have been brought about by landlords but they have not been created by the tenant either. And the law does not provide for the landlord taking more than only a share, and no very large share, if the law is properly administered, of the increment. The only defect in the law is that there is not a perfectly coterminous provision for the reduction of rents from opposite causes, and that the decennial basis for enhancement on the ground of rise of prices often operates handship. Thus when there was the recent landslide in prices the landlord could yet successfully maintain a suit for enhancement on the ground of rise in prices. The discretion of courts provided by the Act was not always an adequate safeguard.

While thus I consider that the enhancement sections are fundamentally wrong in principle, I think that if the basis is accepted there is not much wrong in the provisions if the defects above mentioned are removed.

Q. 64 to 69. My observations on the last question sufficiently indicate my views on these questions. The settlements have generally resulted in enhancements of rent but, while the personality of the Settlement Officers greatly affect the rates, it cannot be said that they have as a rule given excessive enhancements assuming the fundamental principle on which the landlord is entitled to unearned increment to be justified.

Q. 73. There has undoubtedly been a substantial decrease of productivity in western Bengal, though probably that is mostly traceable to growing inadequacy of the resources for irrigation. I do not think that productivity has decreased in East Bengal, at any rate in areas covered by seasonal floods.

My impression is that the Government has done practically nothing to improve productivity. The benefit of the researches in the laboratories and farms of the Agricultural Department have not, except to a small extent, in the matter of distribution of improved seeds, reached even an infinitesimal part of the agricultural population.

Q. 74. With regard to the first two Acts they are practically dead letters. The Rural Development Act has practically been given effect to only in the Damodar Canal area. The result has been a considerably improved revenue from the Damodar Canal but no increased net benefit to the cultivators.

The reasons are that first two Acts are fundamentally defective in as much as they leave the initiative to the people who are not even acquainted with their provisions and to the Collector who is essentially an administrative officer with multifold duties which absorb all his attention. Where enterprising people do take the initiative, as often at least as not, impediments are placed in the way of the scheme by red tape and partly also by the rigorous provisions of the Acts.

The Rural Development Act is more satisfactory but it is inspired by a much too grasping desire for revenue and a thousand and one frightening provisions for an arbitrary assessment of the rates.

For carrying out real improvements on a large scale, both the laws and their administration should be inspired by a sort of missionary zeal. Improvement schemes should be thought out on a comprehensive scale primarily with regard to the enrichment of the peasantry and only secondarily with regard to the revenue. The initiative should be taken by Government and the people induced to agree to schemes by active propaganda and demonstration carried to their door. There must be an aggressive movement for improvement not unlike what was done by Soviet Russia in pushing forward their plan for collectivation.

Q. 79. The present system of Land Records is defective in as much as (1) it does not record all relevant parts such as crops grown, (2) the records are out of date by the time they are finally published and, except in khas mahals and certificate areas, never brought down to date for too long a period. I strongly advocate the United Provinces system. The records once prepared should be continuously maintained and for this purpose a cheap village agency should be organised.

Q. 80. The items enumerated in this question are each of them likely to increase the income of cultivators. But they are not a complete list and the all important thing is the method by which each of these things are done.

For effectively improving the income of agriculturists and thereby increasing the wealth of the country what is wanted is a great planned drive for the economic organisation and rebuilding of each village.

I should first of all organise bands of properly trained expert officials who will be capable of planning comprehensive schemes of village improvement by study of the conditions in the locality.

A body of such experts will be sent out to a unit consisting of one or more villages and start work there. I should call each such corps a centre.

They should make a complete plan for the cultivation of the entire available area in the vilage so as to increase substantially the value of the agricultural crop in the unit. This plan should include a distribution of the several crops in the land, carrying out schemes for irrigation, manuring and other methods of improving the yield of the crops.

Supposing that the estimated value of the crop after paying for all improvements is found by them to be say 50 per cent. above the yield from the lands, they should invite the agriculturists to agree to cultivate their lands according to this plan under the supervision and direction of the centre. This would be facilitated if a Government guarantee is given to each cultivator for a return equal to the value of his annual crops. Where the majority are agreeable compulsory powers may be given to be used against those who don't.

For financing this and other ventures which I shall presently mention there should be established a bank (a Government one at the outset) which will lend the necessary funds for carrying on agriculture on the hypothecation of the crops and on the condition that all marketable crops are sold through an agency approved by the bank.

The plan need not include collective cultivation at the start, nor need it involve the use of tractors and other very costly machinery to start with. But all such developments should be envisaged in the complete programme.

Every cultivator must undertake to work on the lands under the direction of the centre.

A plan should also be made for the utilisation of the surplus labour to the utmost advantage. This could be done by providing for work on industries appropriate to the locality. Each such industry should be organised on co-operative lines though a regular co-operative society may not be organised at the start.

I shall take as an illustration one industry which will probably be found to be suitable everywhere and also help agriculture by providing improved draft cattle and abundant good manure, viz., dairy farming.

Cows of improved breed should be purchased and sold to individual villagers, the finance being provided by the bank to the buyers on condition that the milk must be supplied to a central farm. The centre will maintain stud bulls and also include a veterinary expert who will supervise and instruct the villagers in the proper care of the cows.

The agricultural plan should also include a proper disposition of lands for the fodder, grazing and exercise of the cattle.

All the milk from the cows will be gathered and sold to the central farm financed by the bank. The central farm will give the sellers a letter of credit to the value of the milk supplied which will be accepted by the bank.

Except in the neighbourhood of big cities where sale of milk would be sufficiently profitable, the central farm will manufacture stable milk products like butter, ghee, chhana, and even more ambitious things like condensed milk and cheese in due course, for sale in distant cities and towns.

Similarly, other industries like poultry farming, spinning and weaving, jute spinning and weaving, coir industry, oil pressing, fruit preserving, manufacture of copra soap and hydrogenated oil in cocoanut-growing places and others should be organised where suitable on exactly similar lines.

The produce of agriculture as well as of the various industries should be marketed through collective agencies.

All these various units of agricultural and industrial activity will be financed by the bank which will thus have full control over the entire output of the village on the security of which it can finance each of these ventures. Too much will not be needed by the bank for most payments between the several units and the villagers will be made by mutual drawings on the bank which will thus be a clearing house for the village.

A bank so situated and having effective control over all the resources of the village could easily raise funds on its own securities, and if the whole country is covered with such banks there will be an organisation which would be able in the last resort to get finance from the Reserve Bank.

These are the main outlines of my scheme. I admit that it is not free from difficulties and that though its financial soundness can be established on paper, it may not be found so perfectly sound in practice.

My suggestion therefore is that the Government should proceed by experiments on a small scale. The experiment can be started in a dozen centres in different regions in the first two years. If it is found successful it may be extended to other areas according to a definite plan until the whole province is covered with such centres. If it proves successful it will not only increase the income of agriculturists and find employment for thousands of non-agriculturists as experts, organisers and staff, but change the whole face of the province.

For the success of the venture I have suggested that each centre should be manned by an adequate staff of Government servants at the start and run under strict supervision by the Government. But every centre must associate with itself an advisory body of villagers who will be gradually trained in the work until the entire system could be safely made over to a co-operative organisation of villagers.

Q. 81. Yes. I cannot give even an approximate idea of the extent of the surplus population, but that it is considerable is shown by the fact that agriculture does not occupy anything like the whole time of almost any cultivator.

Q. 82. To some extent the problem can be solved by assisted emigration from congested areas to areas in Bengal where there is a scarcity of agricultural labour and to Assam. But the effective and automatic solution would be found in the plan outlined in my answer to question 80.

Q. 83 and 84. My suggestion is incidentally referred to in my plan (*vide* question 80).

Q. 85. Co-operative societies have not touched even the fringe of agricultural credit. The reasons are many. To start with, their resources are hopelessly inadequate for the purpose. Then again rates of interest charged by them are excessive. What little good they might have done is further minimised by mal-administration in too numerous cases. Above all, these organisations are hardly co-operative societies in nature and spirit but as a rule merely a moneylending agency. I doubt if there are many societies which have succeeded in wiping out the debts of their members. The only ones I know of are under the

Gosaba Central Bank. But there the co-operative credit society is only one of the several inter-related co-operative organisations. Without such inter-related organisations which would enable the societies to control the entire resources of members these societies cannot be successful in any remarkable measure.

Q. 86. From reports so far as received by me the Debt Settlement Boards have, for one thing, dislocated the whole system of agricultural credit, and nothing has been done to construct a new system to replace the credit from mahajans. The results have often been disastrous to the cultivators. Its direct work, to scale down debts to manageable limits, in spite of many abuses, will probably succeed. But the failure of the Government to provide for a credit organisation to supplement the work of these Boards is going to affect the cultivators adversely.

Q. 87. I do not think the idea feasible. To make it workable these banks should become the sole creditors of the agriculturists, the crop should be hypothecated to the banks and sold through an agency affiliated to the banks. These conditions can only be created on the plan I have outlined above. In the absence of these circumstances the difficulties of realisation would be enormous and without regular payment, the banks could not meet their own creditors and the same of the bank could be arranged, such banks could succeed.

If side by side with these Agricultural Banks an adequate number of Land Mortgage Banks could be established to take over all existing debts of customers of the former, all outside loans are effectively forbidden and a plan for disposal of agricultural produce through agents of the Bank could be arranged, such Banks could succeed.

Q. 89 and 90. It is. In the long run it is also ruinous to the tenants.

If accurate and properly maintained records-of-rights are made I think a more summary procedure for realisation of rents, starting with execution instead of a plaint, could be provided, provided that the existing rents are scaled down where necessary on lines suggested by me. Such a summary process would not operate hardship to the tenant who has an economic holding. The trouble and harassment of the certificate procedure is chiefly due to the holding being uneconomic or the tenant being hopelessly in debt to others.

Q. 91. This is eminently desirable. At present the entire body of land laws covers over fifty statutory enactments and a great many of these are full of obsolete provisions, superfluous verbiage and clumsy circumlocutions. The embodiment of the whole body of these laws in a well drafted code will in any case be desirable, even if no reforms in the laws are made.

If the suggestions I have made before are accepted, of course, most of these laws would go to scrap heap and we should have a very simple and handy code indeed.

Q. 93. I am not in a position to judge of the economic effects. But it seems that barring the loss of some income to the landlords it will have no other effect. I fail to see what advantage it will give to the cultivating raiyat. If he sells out he will probably be able to get a slightly better price. But it is more likely that the advantage of the repeal of the salami will more generally go to the resourceful buyer, who is most often not a cultivator, or if a cultivator one who cultivates with hired labour, than to the needy seller who must needs sell.

The provision suspending enhancement of rent will give no appreciable benefit to the raiyat. For, after the series of years of depression the chances of the landlord getting an enhancement for increase in price of food crops within the next ten years were worse than problematic. Nor was there much chance of success in suits for enhancement on other grounds.

On the whole I think the chief value of this Act has been as a piece of legislative window dressing to show off to the agriculturists and enable its sponsors to pose as their friends. That the landlords have been done in the eye to some extent would be the trump card in this game of bluff.

Reply by Sir Nalini Ranjan Chatterjee, ex-High Court Judge, Calcutta.

Q. 1. The object of the Permanent Settlement and the *quid pro-quos*, according to Regulation I of 1793, were substantially those which are mentioned in question 1. What led to the Permanent Settlement will be dealt with in replies to other questions.

No duties or obligations other than those mentioned in the question are stated in Regulation I of 1793.

The Permanent Settlement with the zamindars did not take away any existing rights from the tenants, nor add to them.

Q. 2. Under the Permanent Settlement the zamindar had the power to choose his tenants in this way.

Under Regulation VIII of 1793, the rents of istemrari (mokararidars) who had held land at a fixed rent for 12 years, and istemrardars not holding for so long a period but with whom the zamindar has contracted "not to lay any increase on them," could not be enhanced. They could not be turned out so long as they paid rent. But even such raiyat had no right of transfer. "On the whole I do not think the raiyats can claim any right, of alienating the lands, rented by them by sale or other mode of transfer, nor any *right* of holding them at a fixed rent except in the particular instances of khudkasht raiyats, who from prescription have a privilege of keeping possession so long as they pay the rent stipulated for by them." (Sir John Shore's Minute, Harington's Analysis, Volume III, p. 460).

That being so, even in the case of such raiyats, the zamindar could refuse to recognize a transferee, if considered undesirable, and in that manner could therefore choose the tenants. *A fortiori*, he had right to choose tenants in the event of transfer of ordinary khudkasht tenants and as for paikasht raiyats, they were merely tenants at will or tenants from year to year.

Under section 52 of the Regulation VIII of 1793, the zamindar "could, subject to the prescribed restrictions, let the remaining lands (i.e., other than those of the istemrardars and dependent talukdar dealt with in sections 49 and 51) in any manner he may think proper."

In the matter of unoccupied (waste and uncultivated) lands, the zamindar had certainly the right of choosing his own tenants, because no person could thrust himself as a tenant upon the zamindar. Sir Richard Garth observed as follows:—"They had almost as much freedom in that respect as landlords in England. It is certain that before the passing of the Rent Law in 1859, a landlord could and did, almost at pleasure rid himself of objectionable raiyats."

Q. 3 and 6. The landlords have certainly played an important part in the economic development of the province. Before the Permanent Settlement, the country was in a chaotic condition. In 1770 there was the great famine, as the result of which one-third of population of the province was swept away. There were also famines, though not so severe, between 1770 and 1793. The economic condition of the cultivators and of the whole country was deplorable, and the East India Company with all its resources could not realize the full amount of rents. It was at this time that the Permanent Settlement was made. For the first few years, most of the zamindars could do nothing as within that period about half the estates changed hands owing to default in the payment of revenue. Some of the biggest estates such as Birbhum and Bishenpore were ruined, and portions of some other big estates were sold away owing to the Sunset Law. The zamindars were interested then only in saving their estates, and some of them were saved by creating patni and other permanent tenures.

After some years, when things settled down and there was stability, the country flourished, and the original zamindars, the purchasers, and the derivative tenureholders brought the vast uncultivated waste and jungle lands into cultivation. The uncultivated lands were vast and the population was sparse. Tenants had, in the words of Francis, to be courted to undertake cultivation.

It is difficult after a century and a half to say to what extent the large increase in the area under cultivation is due to: (*i*) the increase in population, (*ii*) the enterprise of tenants, and (*iii*) the initiative and the pecuniary or other assistance of zamindars. But the vast and extensive tracts of waste and jungle lands (infested with wild beasts) could not be reclaimed by individual cultivators who were generally poor and without resources. At that distant time they had not the spirit nor capacity for organised action (they have not even now). Lands could not be cultivated unless protective embankments were made, irrigation tanks (and also tanks for drinking water for cultivators) excavated. Individual cultivators could not possibly do those things and they must have been done by landlords. In Western Bengal most of the irrigation tanks are khas tanks of landlords which unmistakably shows that they were excavated by the landlords.

But unless individual cultivators took settlement of particular plots and cultivated them, the lands could not have been brought under cultivation. Then again, unless there was increase in population there would not have been enough cultivators to cultivate the lands. All the three factors must therefore have contributed to the reclamation of and bringing the vast areas under cultivation which resulted in the prosperity of the province. But the cultivators were not in want of lands, and as stated above, they had to be "courted" to undertake cultivation. On the other hand, settlement was taken by zamindars

at one-eleventh of the assets including collection charges. It was essentially necessary for the zamindars to reclaim the lands and bring them under cultivation, so that they might increase their income and be in a position to pay the Government revenue punctually irrespective of drought, inundations, failure of crops and other calamities. In fact their very existence depended upon extension of cultivation, industry, and good management.

In the nature of things, therefore, it was for the zamindars with their resources to take the initiative and spend money for reclaiming the lands, and making them fit for cultivation. Not only were the landlords mainly instrumental in the matter of extension of cultivation, which of course they did in their own interest, but they also were very active and powerful factors in the development of prosperity. I have referred to excavation of tanks for irrigation and drinking water. The establishment of hats and bazars led to increase in prices of agricultural produce, the construction of roads by some zamindars gave facilities for better marketing and communications.

Q. 4. The question whether the zamindars were actual proprietors of the soil from before the Permanent Settlement, or they were mere collectors of revenue converted to proprietors by the Permanent Settlement, is a most controversial one, and the literature on that point containing diametrically opposite views is voluminous.

Before the Permanent Settlement was concluded, there were two schools of thought one represented by Mr. Grant (Sheristadar of the Board of Revenue). In his view the sovereign ruler in all parts of Hindoostan is the sole virtual proprietor of the soil, in right, and in fact the real acting landlord, that zamindars hitherto considered the rightful proprietors of the lands, were a fluctuating body of persons who were farmers and had no property in the soil, that they were actually no more than annual contracting farmers or receivers of the public rents, with stated allowances in the nature of a commission on the receipts, and a small estate or portion of their territorial jurisdictions set apart for constant family subsistence whether in or out of office, but never exceeding in the whole by an universal prescriptive law of the empire, ten per cent. on the mufassal charges.

The Board of Revenue in 1786 declared a zamindari to be a "conditional office," annually renewable and revocable on defalcations.

On the other hand Sir John Shore was of a contrary opinion. In his Minute, dated the 18th June 1789, he stated his conclusions as follows:—

"370. I consider the zamindars as the proprietors of the soil, to the property of which they succeed by right of inheritance, according to the laws of their own religion; and that the sovereign authority cannot justly exercise the power of depriving them of the succession, nor

of altering it, when there are legal heirs. The privilege of disposing of the land, by sale or mortgage, is derived from this fundamental right, AND WAS EXERCISED BY THE ZEMINDARS BEFORE WE ACQUIRED THE DEWANI."

"371. The origin of the proprietary and hereditary rights of the zamindars is uncertain; conjecture must supply what history does not mention; they probably existed before the Muhammadan conquest, and, without any formal acknowledgment, have acquired stability by prescription. I do not admit the sanad, which the zamindars sometimes receive, to be the foundation of their tenure; which though it may acquire confirmation from it, exists independent of this deed. The origin of the possession of some zamindaris may be traced to a grant, but the inheritance goes on, without it."

It will not be profitable to enquire into the right to land in the early Hindu period, I shall only refer to it. A passage is often quoted from Manu, Chapter IX, sloke 44. "Sages pronounce cultivated land to be the property of him who cut away the wood or who cleared and tilled it." But that does not show what "property" was acquired thereby, and whether he had anything more than a right to cultivate and appropriate the produce subject to payment of the king's share of the produce. Then it appears that the king's share was generally one-sixth (though it varied from one-fourth to one-tenth).

It is said that there were no intermediate interests between the King and the cultivator, though there were a number of officers of the King; the village lord, the lord of ten villages, 100 villages and so on, one above the other, who were remunerated by produce of lands or by assignments of lands.

It is difficult to trace the history of intermediate interests in land from pre-historic times, or to enquire whether the zamindars of later times originated from these officers. That would be mere speculation, nor would it be profitable to refer to the system which prevailed in other provinces of India, or to the village communities, as the latter ceased to exist in Bengal thousands of years ago.

It may be pointed out, however, that certain passages from *Sukraniti* though of a much later period than Manu, but much anterior to Muhammadan conquests, show that there were three classes of persons interested in land, viz., the king, the owner and the cultivator.

Before the Muhammadan invasion, during the time when the Pal and Sen dynasties were kings of Bengal, there were a number of rajas, some big, others small, and some of the zamindars originated with them as their descendants existed during the Moghul period and also subsequently.

We come to firmer ground during the Moghul period. During the time of Akbar the zamindars of Bengal were "numerous, rich and powerful." [1]Sir John Shore says that they were not of Akbar's creation and probably existed before him. But in order to be "numerous, rich and powerful" they must have existed from a very long time (if not centuries) before Akbar.

The zamindars, if they did not originally possess, acquired in the course of time a property in the soil and the rights annexed thereto, of disposing it by sale, gift and mortgage, subject, however, under any mode of alienation to the sovereign claims for revenue. Some of the zamindars exercised semi-sovereign powers.

The Moghuls did not disturb the arrangement as it existed before they came.

The zamindari was described by the Board of Revenue as a "Conditional Office." Deleting the word "office" for the moment, because it is begging the very question at issue, let us see what the facts were. It was "conditional" in one sense, viz., conditional on the payment of revenue. But in one sense it is conditional also under the Permanent Settlement as the estate is liable to be sold for arrears of revenue, for each of the four quarterly kists. Then it is said that it was "annually renewable and revocable on defalcation," or in the words of Mr. Grant the zamindars were "annual contracting farmers."

What used to be done annually, however, appears from the following remarks of Mr. Rouse (Harington's Analysis, Volume III, pp. 367-368):—

"It appears, upon a reference to all the correspondence of the times and is universally known, that when the Dewani of the three provinces was ceded to us, the country was distributed amongst the zamindars and talukdars, who paid a stipulated revenue by twelve instalments to the sovereign power, or its delegates. They assembled at the capital in the beginning of every Bengali year (commencing in April) in order to complete their final payments, and make up their annual accounts; to settle the discount to be charged upon their several remittances in various coins for the purpose of reducing them to one standard, or adjust their concerns with their bankers; to petition for remissions on account of storms, drought, inundation, disturbances, and such like, to make their representations of the State and occurrences of their districts; after all which, they entered upon the collections of the new year; of which, however, they were not permitted to begin receiving the rents from their own farmers, till they had completely closed the accounts of the preceding year; so that they might not encroach upon the rents to make up the deficiencies of the past. In many instances

[1]Shore's Minutes of 2nd April 1788 and 18th June 1789.

the zamindars were left unmolested in their several districts, and free from all check or interference. But when they were remiss in their payments, officers of Government were deputed, under various titles, whose duty it was to prevent any misapplication of the money collected by the zamindars, and his agents dispersed over every part of the country. For with them only rested the whole business of letting the lands, keeping the subsidiary accounts, and collecting the rents from the villagers and they were, in all ordinary matters, independent of the interference of the superior Government."

The revenue was not fixed in perpetuity as under the Permanent Settlement. And if remissions had to be obtained on account of storms, drought, inundations, disturbances and such like, accounts had necessarily to be made up for paying up the arrears. They were not allowed to realise rents from tenants until their accounts were settled and the arrears were paid up or arrangements made for their payment because it would be difficult to realize revenue if there were large accumulation of arrears. Those who could not or would not pay were deprived of the management, and their estates were made over to those who agreed to pay, or the collections were made by the officers of the Viceroys, the dispossessed zamindars being allowed malikana.

But besides the stipulated revenue, there were sometimes additional impositions on the revenue, as well as impositions of cesses (such as Subedari) and when the zamindars could not pay, the zamindar was deprived of the management of his estate, and collections made by officers of the rulers. In the case of disqualified proprietors the management was taken over (it is done even now). The revenue appears to have been realized in that manner.

During the time of Jaffar Khan (Murshed Kuli Khan) extortionate demands were made. The defaulting zamindars were imprisoned and the most revolting cruelties were practised upon those who failed to comply with his demands in order to compel them to do so. Collections of rents were made from cultivators direct by State Officials (Amils and Sezawals) and the condition of the zamindar became precarious and pitiable. But even Jaffar Khan allowed malikana to the dispossessed zamindars which he would not have done had not the zamindars been maliks. "The malikana or right of proprietorship furnishes the subsistence of a zamindar. When his lands were framed out or held khas, he received his malikana from the Amil or farmer"—*see* Roy Royan's answer to question 15th (Harington's Analysis, Volume III, p. 344). Even a person holding an Altamegha grant from the Emperor had to pay malikana to the zamindar (Harington, Volume III, p. 244). After the death of Jaffar Khan the zamindars regained their former position.

If one confines his attention only to the state of affairs to any particular period (Jaffar Khan's time), he may be tempted to get the impression about the position of the zamindars unfavourable to them.

As stated however by Sir John Shore in his Minute, dated the 2nd April 1788—

"The general question may with propriety be divided into two parts: of right, and policy. If the former can be clearly ascertained, it will probably tend to elucidate the latter which, at all events, deserves a separate consideration. In a discussion of this kind, some principles should be established at the outset for deciding the points in issue. But here a material difficulty occurs. The constitution of the Moghul Empire, despotic in its principle, arbitrary and irregular in its practice, renders it sometimes almost impossible to discriminate between power and principle; fact and right; and if custom be appealed to, precedents in violation of it are produced. In tracing such a system where even natural rights are often sacrificed to power, we must carefully observe what, under successive administration has been left to the people; and explore those usages which have subsisted for the greatest length of time with the fewest variations and infringements. We must hear what the subjects of the State claim for themselves; and try these claims by the result of the investigation prescribed; and by the standard of reason, policy and natural justice. In opposition to this, it has been asserted that the sovereign alone, in a despotic state, is competent to decide the question about zamindari rights because it goes to ascertain the limits of his power, in defining the rights of his subjects; that the will of the Company, as possessing the rights of the emperor, is absolute, and that it rests with them to make, explain, and execute the laws. If this reasoning be just, all discussion ought indeed to cease; for it reduces the question to this simple proposition, that the Company, having despotic power, are entitled to exercise it as they please. Rights are incompatible with these principles."

But apart from that, if a zamindari was heritable and transferable, it could not be a "conditional office," nor "annually renewable," nor could the zamindars be said to be "annual contracting farmers," and this brings us to the question whether a zamindari was heritable and transferable or not. There was no difference of opinion between Mr. Hastings and Mr. Francis, respecting the hereditary title of the zamindar. In the plan for a future settlement of the revenues recorded by the Governor-General, Mr. Hastings, and Mr. Barwell, on the 22nd April 1775, it is observed that "both by the Mussalman and the Hindu Laws, inheritance should be divided amongst the sons in equal proportions; yet it has been established by custom, that the large zamindaris shall not be divided; but be possessed entirely by the eldest son, who is

to support his younger brothers. On the contrary, it is usual for the small zamindaris to be divided amongst all the sons, but in many parts of the country the custom prevails, that the eldest should have something more than the others." In the plan of settlement recorded by Mr. Francis on 22nd January 1776, it is also expressly asserted, that "the land is the hereditary property of the zamindar. He holds it by the law of the country, on the tenure of paying a certain contribution to Government." And the following note is added to Mr. Francis' printed Minute of the above date. "The inheritable quality of the lands is alone sufficient to prove, that they are the property of the zamindars, talukdars, to whom they have descended by a long course of inheritance. The right of the sovereign is founded on conquest; by which he succeeds only to the State of the conquered prince; unless in the first instance, he resolves to appropriate all private property, by an act of power, in virtue of his conquest. So barbarous an idea is equally inconsistent with the manners and policy of the British nation. When the Moghuls conquered Bengal, there is no mention in any historical account, that they dispossessed the zamindars of their lands; though it is frequently observed, that where they voluntarily came in, and submitted to the new Government, they were received with marks of honour; and that means were used to gain and secure their attachment. In the Roy Royan's answer to question 47, "Is the property of the soil vested in the king, the zamindar or the raiyat?" he stated, "The sovereign is the proprietor as well of the revenue as of the country; and as the revenue arises from the land, he is so far the proprietor of the soil also. In consequence of paying the revenue, of submitting to the authority of the sovereign, and of succeeding to the inheritance of a zamindari by lineal descent, with power of alienation by gift or sale, a zamindar becomes the proprietor of the lands of his own zamindari. A raiyat being a tenant holding under a patta, and possessing no authority to sell or give away has consequently no property in the soil." (Harington, Volume III, p. 354.)

The Court of Directors in their letter, dated the 20th August 1788 (paragraphs 28 to 32) said, "We have perused with attention Mr. Grant's discussion of the rights of zamindars, but we should have thought our Supreme Government very blame-worthy, if upon his suggestion or upon being ever so much urged to adopt that line of conduct by the committee of revenue, they had ventured to issue any public declaration which would have abrogated the claim the zamindars have been supposed to enjoy to an hereditary possession, and thereby precipitately committed the national faith and hónour upon a subject of so much magnitude. Neither can we observe without astonishment, the levity with which this most important consideration has been treated in the discussions of the committee. The common sanad or patent of a zamindar does not certainly, in terms, confer an hereditary tenure;

and we have never seen it ascertained, whether in ancient times the sanads were granted in the same form and tenor, for all the classes of zamindars described by the Nawab Mohommed Reza Khan, in his remarks delivered to our President and Council in September 1773, but it seems to be admitted, on all hands, that hereditary descent and succession (and in many cases mortgage and alienation) have long been usual in Bengal and Bihar; and that notwithstanding the various revolutions at Delhi, and in the provinces, this rule has rarely been interrupted but for acts of atrocity, which might incur forfeiture; default of revenue; or failure of heirs. This doctrine is very much confirmed, instead of weakened, by the account of the four principal zamindaris prepared by the Dewan, and delivered in by Mr. Cowper. Moreover, we believe it is a fact, that many of the present zamindars are the lineal descendants of those persons, who possessed the lands before and under the conquest of Bengal by the Emperor Akbar, about two centuries ago. In like manner it is certain that the idea of an hereditary tenure has been sanctioned by repeated discussions of the British Parliament. It has been recognised also by the undeviating practice of our Governments in Bengal and of all the Dewani Courts since our possession of the country; and that not as mere acts of grace, or personal partiality, but as the dues of justice, yielded to those having a fair right to demand them. With all this evidence of fact before us in favour of the zamindars we should not hold ourselves warranted in so monstrous an exertion of the powers vested in us by the legislature, as that of nullifying, upon a mere theoretic opinion, all the supposed property of an extensive territory; and which, even if it were decidedly legal, and politic, would not probably be effected without danger of revolt, or general injury to the country. As this great question has been agitated by our servants in Bengal, we wish to examine it without prepossession; and conceiving it to be our duty to declare these sentiments to you, we direct that your conduct may be made conformable to them. So far as to the right, or usage, of inheritance."

But although the zamindars succeeded according to the common course of inheritance, agreeably to their own law, some form declaratory of the succession of the new incumbent was necessary for the information of the officers of the State and raiyats, as well as for the security of the new zamindar, whose name was upon his accession enrolled in the public registers.

It is to be observed that in the case of succession by inheritance, the proprietor even now has to register his name under the Bengal Land Registration Act (VII of 1876, section 42), and no person is bound to pay rent to a proprietor unless his name is so registered (section 78).

The principal zamindars who enjoyed extensive jurisdiction and were admitted into the presence of their Sovereign, or the Viceroy, petitioned for and obtained sanads not only as confirmation of their rights, but as an honourable distinction, and these they paid for, while the inferior zamindars were contented with less formal and expensive acknowledgments of their rights. Sir John Shore therefore was right in holding that the sanad did not create rights, but merely confirmed them.

If a zamindari was a hereditary tenure as held by Warren Hastings, Francis, Sir John Shore, Mr. Rouse, and the Court of Directors, what remains of the view taken by the Board of Revenue or by Mr. Grant, that it was a "conditional office" or that it was "annually renewable and revocable at pleasure"?

"The origin of all zamindars with whom the Permanent Settlement was concluded was not the same. Some were descended from ancient Rajas or Chiefs previous to the Moghul conquest, others the great zamindars who came into existence during the Moghul Government. Some of these were *de facto* rulers in their own estates or territories subject to a tribute or land tax to the representative of the sovereign. There were others again who towards the disruption of the Moghul Empire became farmers of revenue, who or whose descendants came to occupy the position of a zamindar. Lastly the persons whose families had held office of collecting revenue during one, two or three generations and established a kind of prescriptive right.

This difference in the origin of the zamindars has led to the divergence of opinion as to whether the zamindars were proprietors or were collectors of revenue converted into proprietors by the Permanent Settlement."

Then again, there has been much criticism on the ground that the position of a zamindar is not that of a "proprietor", in the English sense of the term. It does not matter however whether the zamindar had a "fee simple" interest, as his tenure was of a peculiar description. But whatever it was, it would be a mistake to say, that zamindars were mere collectors of revenue, converted into proprietors under the Permanent Settlement.

In conclusion, I shall refer to certain outstanding facts—

(*a*) The existence of numerous rich and powerful zamindars in Bengal at the time of Akbar and before his time, already referred to above.

(*b*) The existence of a number of Rajas big and small before the Moghul period.

(*c*) The custom of succession by primogeniture in the case of the most extensive zamindaris under "native administrations" referred to

in the Preamble to Regulations XI of 1799, which undoubtedly prove the antiquity of such zamindaris.

(*d*) The grant of lands made by zamindars prior to the 12th August 1765, the date of accession to the Dewani, which were declared to be valid by Regulation XIX of 1793, provided the grantee actually and *bona fide* obtained possession of the land granted, prior to that date, showing the existence of zamindars who exercised such rights as proprietors of land.

(*e*) The fact that Rani Bhabani, the biggest zamindar of East Bengal of the time, a female, Raja Krishna Chandra of Nadia and the Maharaja of Burdwan who made extensive lakheraj grants show that they were proprietors of the soil.

(*f*) The Emperor Aurangzeb purchased land from a zamindar for a mosque. He was the lord and master of the country and could easily take the land at his will and pleasure, but in order to give a proof of his moderation and morality purchased certain parganas (*see* Harington, Volume III, p. 528). The Roy Royan in his answer to question 29, said "A zamindar is a payer of revenue. By ancient usage the revenue belongs to the emperor and soil to the zamindar. The emperors keeping in view the practice of former times considered the taking of land without paying for it as an act of oppression."

This purchase of land from a zamindar shows that zamindars had proprietary right.

(*g*) When Casim Aly Khan ceded Burdwan and other districts to the East India Company, he made over the rents of them only, and in defining the powers which the English were to exercise over Burdwan, called the zamindari of Tilak Chand, he directed that they shall keep the zamindar and tenants in their places. (Harington, Volume III, p. 310).

(*h*) The permission granted by the Emperor Aurangzeb to the English to purchase Cuddalore and other towns, shows that the zamindars had a right of property, and the power of disposing of it. (Harington's Analysis, Volume III, p. 308).

(*i*) The firman from the Emperor Furokyer in 1771 granted at Delhi on the application of the agents of the English Company the terms whereof run thus:—"The Company's factory is established in Calcutta, and the sum of Rs. 1,193-6 as. is annually paid on account of the rents of the talukdari of Calcutta, Sutanati and Gobindapur formerly procured from the zamindars, be pleased to grant thirty-eight villages more situated near the former, at the annual rent of Rs. 821-8 as. which shall be regularly discharged. The orders for the villages previously purchased are confirmed as before, and we have bestowed the talukdari

of the additional thirty-eight villages, but *let them purchase them of the proprietors.*" (Harington, Volume III, pp. 308-309.)

There could be no better proof of the zamindars having proprietary rights, when the English themselves purchased Calcutta, Gobindapur and Sutanati and were directed to purchase the additional 38 villages from the zamindars.

Q. 5 & 10. The annulment of the Permanent Settlement would undoubtedly be a breach of the solemn pledge given by the East India Company to the zamindars. No pledge could be more solemn than that contained in the Permanent Settlement. On the faith of that pledge the zamindars entered into the settlement with such a low margin of profits, viz., one-eleventh of the assets and agreed to pay revenue on the most stringent terms. It was on the faith of that pledge that when zamindaris or permanent tenures were sold by private sale or under the revenue or rent laws, persons purchased them for millions and millions of rupees. It was because of the Permanent Settlements that the one-third of the entire province which was full of jungles and waste, and uncultivated that was reclaimed, and Bengal became the most prosperous province in India.

It is said that the tenants were no parties to the pledge. The tenants, however, were not interested in the amount of revenue for which the settlement was made, which was a matter between the State and the zamindars. But the Permanent Settlement was made, and the revenue was fixed in perpetuity, not in a fit of generosity, nor out of a disregard of the rights of the State or its subjects. The records show with what care and deliberation the matter was dealt with by eminent statesmen, after a most careful consideration of the views of persons who held opposite views as to the wisdom of the measure. Apart from the fact that the Permanent Settlement was the only means of saving the then existing situation, the State was fully alive to the interests of the tenants, and provisions were made in the Regulations themselves for safeguarding those interests.

In Article VII of Regulation I of 1793 it was declared "It being the duty of the ruling power to protect all classes of people and more particularly those who from their situation are most helpless, the Governor-General in Council will whenever he may deem it proper, enact such regulations as he may think necessary for the protection and welfare of dependant talukdars, raiyats and other cultivators of the soil." Rules were laid down in other Regulations accordingly, and their interests have also been protected by subsequent tenancy legislation up till now.

It would be a mistake to say that the Permanent Settlement permanently crippled the financial resources of the country. The amount of

revenue derived directly from land is not the only criterion for determining the financial resources of a country. Apart from the urgent necessity of the State for concluding the Permanent Settlement, had the raiyatwari system been adopted as was done in some other provinces, the revenue from the then cultivated lands might have been higher, but the one-third of the province which lay waste and jungle, could not have been reclaimed within the time it was done, and the prosperity of the province could not have been brought about.

If fixing the amount of land revenue in perpetuity is crippling the financial resources of the country, the fixing of rent in perpetuity of all or any class of raiyats, which some of the questions suggest was contemplated by the framers of the Settlement, would on the same reasoning be said to be crippling the resources. It is true that raiyats are instrumental in the production of wealth, but so are the landlords instrumental in reclaiming and bringing lands into cultivation, thereby making it possible for increase of national wealth. We are considering the question of crippling the revenue of the State *by fixing the demand on the land* and if that was bad in the case of zamindars it would be bad in the case of raiyats also, and the landless labourers and the general public may as well complain that they were no parties to the arrangement, that the rents of raiyats should not have been fixed in perpetuity, and that the raiyatwari system would have brought in much larger amounts to the coffers of the State.

As stated by Romesh Dutt in his "Economic History of British India" page 94:—It (the Permanent Settlement) is the one act of the British nation within the century and a half of their rule in India which has most effectually safeguarded the economic welfare of the people. It is an act which is in consonance with the modern policy of civilised nations to permit the people to profit by their own industries, instead of paralysing their industries by an uncertain and increasing State demand. Agriculture has largely extended in Bengal within the last hundred years, and the land-tax of Bengal, which was fixed in 1793 at 90 per cent. of the rental, now bears a proportion of about 28 per cent. to the rental of landlords; and new taxes amounting to 6¼ per cent. on the rental have been added for roads and public works.

"Since 1793 there has never been a famine in permanently settled Bengal which has caused any serious loss of life. In other parts of India, where the land-tax is still uncertain and excessive, it takes away all motives for agricultural improvements and prevents saving, and famines have been attended with the deaths of hundreds of thousands, and sometimes of millions. If the prosperity and happiness of a nation be the criterion of wisdom and success, Lord Cornwallis' Permanent Settlement of 1793 is the wisest and most successful measure which the British nation has ever adopted in India."

At page 132 he observed....."Lord Cornwallis respected an ancient institution, and has thus preserved in Bengal a large, prosperous, and contented middle class. Lord Wellesley's policy denuded Madras of a similar class and the loss has not been repaired after a century of British rule. Madras has no strong, influential, prosperous middle class, forming a natural link between the cultivators and an alien Government."

The result of the Permanent Settlement shows that it was in the interests of the country economically and for the greatest good not only of the largest number but of all classes of subjects. It would be erroneous to think that it led to a revenue system resulting in advantage of the landlords at the expense of the tenants, and not to the province as a whole. The advantage of a particular class, viz., the landlords at the expense of the tenants cannot possibly conduce to the prosperity of a country. It was owing to the Permanent Settlement that trade and commerce of the province increased. It led to the large increase of revenue in other directions such as customs duty, income-tax and stamp duty, etc. Consumption of imported goods such as cotton manufactures, and hardware, etc., was greater in Bengal and which shows a higher purchasing power in Bengal, and surely the consumption was not confined to the zamindars or tenureholders. The customs duty, income-tax and stamp duty which were indirectly due to the Permanent Settlement, indicate wealth and prosperity not of a particular class, viz., the landlords, but of the whole province. Even labourers and coolies share in the general prosperity as they get higher wages, and it is idle to contend that the advantages arising out of the Permanent Settlement are confined to the landlords alone.

Q. 7. As stated in answer to questions 3 and 6, both landlords and tenants contributed to the reclamation of waste and jungle lands and bringing them under cultivation though it is not possible at this distance of time to say to what extent it was due to each of them.

Some people seem to think that the zamindar had merely to point out the land to the would-be tenant, and the latter cleared the land and made it fit for cultivation, as may be done nowadays when there is competition for lands. But there were then vast tracts of jungles infested with wild beasts, and they could not have been reclaimed by individual cultivators. Besides merely cutting down the jungles would not make the land fit for cultivation. It was necessary to have embankments or provision for irrigation facilities (as the case may be), and these could not have been done by poor cultivators. It is to be borne in mind that cultivators were not in want of lands. There being competition for tenants, cultivators would naturally take settlement of lands from a zamindar where they had lesser amount of trouble and labour. It being essentially necessary for the landlords to extend cultivation for

their very existence and to increase their small margin of profits. It was natural for them to play the greater part in the matter of reclamation of lands and provide facilities for cultivation, thought it was the cultivators who cultivated the lands.

It is also difficult to say how much the increase is due to the good management of the zamindars, but it must have been good, because without good management there could not have been a rise in the income.

The rent roll has also been increased by enhancement of rent, but to what extent it is impossible to say at this distance of time specially having regard to the fact that the rise in the rent roll must have been mainly due to the reclamation and cultivation of waste and jungle lands of one-third of the whole province.

Q. 8. It is difficult to say that all the zamindars have conducted themselves with moderation towards their tenants and have secured to them the same equity and generous treatment as they were supposed to have secured from Government. The difficulty arises from generalizing on the point. There was a period when most of the zamindars were not in a position to do anything, and when their exertions were solely directed to saying their estates. Then there were good zamindars and bad zamindars; and some others again who were indifferent. Some of the zamindars were uneducated, lazy, and given up to luxury and enjoyment and did not care for the welfare of tenants. But there were others who were just the opposite. The author of the "Zamindari Settlements of Bengal" (Volume I, Introduction, p. X) who is a severe critic of the zamindari system says:—

"The Administration Reports contain acknowledgments of the excellent administration of their estates by several zamindars; among these are names of conspicuous benefactors of their districts and of their kind, whose good deeds are an example for even England's nobility and even the author's acquaintance with but a few zamindars has enabled him to recognize esteemable characters among them."

Before the rate of enhancement was regulated by tenancy legislation, some zamindars must have realised enhanced rents at a high rate, and abwabs.

When estates or tenures were sold, the purchasers in some cases enhanced rents of the raiyats, sometimes unfairly, but the entire body of the zamindars and tenureholders cannot be condemned as extortionate or oppressive on that account. Enhancement of rent did not take place under the Permanent Settlment alone. Rents were enhanced and considerably more in provinces where there was no Permanent Settlement. On the other hand, numerous raiyats have been recorded in

the Settlement record-of-rights as mokarari raiyats on the presumption under section 50 (*1*) of the Bengal Tenancy Act. That shows that rents of numerous raiyats had not been enhanced by many zamindars or tenureholders. I do not mean to suggest that enhancement of rent is improper, on the contrary, I am of opinion that enhancement of rent follows from the character of rent. But the fact that there was no enhancement of rents since the Permanent Settlement as evidenced by the entry of mokarari rent of numerous raiyats in the record-of-rights based upon the provisions of section 50, Bengal Tenancy Act shows that there was no enhancement of rent of numerous raiyats in many estates and tenures. It cannot be said therefore that all the zamindars or tenureholders were extortionate or oppressive.

There was realisations of abwabs but it is being gradually reduced specially after the amending Act of 1938. If necessary, more stringent methods can be adopted for abolition of abwabs.

With regard to the "same equity and generous treatment" it is to be observed that the zamindars having obtained settlement at a very low margin of profits and on very stringent terms, it was not possible for them to secure to the tenants the same generous treatment as the latter did not accept settlement on such low margin of profits nor on such stringent terms as the zamindars did.

Q. 9. The first part of the question has been dealt with under questions 3, 6 and 7.

The question of "absenteeism" has to be considered with reference to the landlord immediately under whom the particular tenant holds. For instance, where a zamindari is let out in patni, it is the patnidar who is practically the zamindar in relation to the tenants, and it is immaterial whether the zamindar lives within the estates or is an absentee.

Most of the zamindars, and specially the tenureholders and others belonging to the middle class do not live in towns, but a zamindar having a very large number of mouzas specially where they are situated in several districts, must necessarily be an "absentee," unless he can tour round all the mouzas in his estate. The percentage however of zamindars living in towns is not large. All zamindars cannot afford to live in towns, but those who can, have to keep a residence in towns for education of their children and for medical treatment, and nowadays in some cases marriages of sons and daughters have to be celebrated in towns. Some of them have to keep away from villages owing to unhealthiness in villages. But some big landlords live in towns for enjoyment of better amenities of city life, though their percentage is small.

There is no doubt that if landlords reside in villages, they must provide for good drinking water, good food, medical help, and educational institutions and other amenities for themselves and their families and the tenants would enjoy such benefits, and the landlords being in close touch with tenants the latter would participate in social functions, and there would be better understanding between them.

Q. 11. It is stated that 80 per cent. of the income of land is appropriated by the zamindar, and that the continuance of the Permanent Settlement involves a loss to the State of about 76 per cent. of the raiyati assets estimated at 12 crores (question 13). A 75 per cent. of the raiyati assets, viz., nine crores is therefore intercepted by the zamindars and derivative tenureholders.

The expression "unearned increment" is frequently used in this connection. Perhaps it may be applied to the increase of the raiyati assets existing at the time of the Permanent Settlement, assuming that enhancement of rent is unearned increment. But the purchasing power of the rupee was enormously higher at the time of the Permanent Settlement than it is now, or even when the tenancy laws (Act X of 1859 or Act VIII of 1885) were passed. Enhancement of rent on the ground of a rise in the price of staple food crops (which is dealt with in answer to question 61) was practically the only ground of enhancement under the tenancy laws (as it was very difficult to obtain enhancement on the ground that the rent was below the prevailing rate or on any other ground) cannot be called "unearned increment". But apart from that, the zamindars were entitled under the Permanent Settlement to the income of lands which lay jungly-waste and uncultivated at the time, constituting one-third of the lands of the entire province and which were reclaimed and made fit for cultivation mainly by their initiative and efforts (see this point dealt with in answer to question 3 and 6 above). The zamindars must have been led to accept the settlement on the most stringent terms at one-eleventh of the raiyati assets of the time, only because they were given exclusively the income from the lands of one-third of the whole of the province, and if by their exertions and good management the income has increased to the large extent after a century and a half, the State should not complain that it is a loser now.

Tenureholders between the zamindars and the raiyats were not unknown before the Permanent Settlement but the Permanent Settlement gave an impetus to subinfeudation by giving permanency of tenure and fixity of rent. The Permanent Settlement Regulations themselves, and subsequent tenancy legislation, encouraged such subinfeudation. The zamindars settled their zamindaris or portions thereof in permanent tenures for reasons similar to those for which the East India Company made the Permanent Settlement with the

zamindars. The permanent tenureholders have to pay rent to the zamindar irrespective of drought, inundation, failure of crops or other calamities, and on default their tenures are liable to sale (and in the case of patni tenures, summarily). The zamindars are therefore relieved of the trouble of management and uncertainty of collection of rents and are enabled to make punctual payment of the Government revenue. In fact one of the biggest zamindaris (and some other zamindaris) were saved by the creation of patni tenures. Sub-infeudation is not therefore necessarily an evil. A large portion of the very large middle class who form the backbone of rural Bengal belong to the class of tenureholders. The evil of subinfeudation is due to the creation of under-raiyats by the raiyats themselves at a rack rent in cash, encouraged by tenancy legislation.

The Permanent Settlement has led to enhancement of raiyati rents. But rent is by its very nature variable. Enhancement of rent was not unknown before the Permanent Settlement though it used generally to be regulated by the pargana rate. The Permanent Settlement recognized it, and so long as rent was not enhanced beyond the pargana rate, and not beyond the "prevailing rate" under the tenancy laws, it was not unfair.

It is said that the Permanent Settlement has created a system of overlordship over the actual cultivators of the soil which is harassing and oppressive. The relation of landlord and tenant implies some sort of overlordship in this country. That however is not an unmixed evil; it has compensating advantages. The raiyats are generally poor, illiterate, and without resources, and the zamindars and tenureholders (the middle class) are well-to-do and intelligent, and the raiyats have to look to those zamindars specially the petty owners, the tenureholders and the middle class who belong to this class, at times of distress and for guidance in matters of rural welfare. The social contact of the raiyats with such persons who live in villages did them good. Even now, notwithstanding the efforts of agitators, the relations in many places are good though not so much as they were before.

Q. 12. For reasons stated in answer to question 11. I do not advocate the abolition of the Permanent Settlement on any grounds mentioned in that question.

Q. 13. (*i*) I have already expressed my opinion under question 12 that the Permanent Settlement should not be abolished. Even if there is a "loss" to the State to the extent of about 75 per cent. of the raiyati assets estimated at Rs. 12 crores in the revenue from land, it is compensated by other revenues which indirectly arise from the prosperity of the country owing to the Permanent Settlement.

In considering the question of income of the present raiyati assets as compared with those existing at the Permanent Settlement, one should not lose sight of the fact that the purchasing power of a rupee in 1793 was several times more than that at the present day.

The abolition of the zamindari system means of course not only abolition of zamindars, but of the whole body of tenureholders, under tenureholders, and (if by "actual cultivator" is meant only persons who cultivate lands with their own hands) the whole body of cultivators who cultivate with hired labour paying them a share of the produce as their remuneration.

(*ii*) The cancellation of the Permanent Settlement and substitution of the system of temporary settlement in its place would no doubt bring increased land revenue to the State, but the revenue of the State would tend to decline in other directions. Temporary settlement will undoubtedly be uneconomic, as cultivators will not have the incentive for exertion, because the larger the produce by their exertion, the higher rent they would have to pay at the re-assessment, unless the idea is that the zamindars and tenureholders should be removed and the rents of the raiyats should be fixed for ever, so that they would be in the same position as zamindars and tenureholders without paying any additional rent as in the raiyatwari system.

(*iii*) The question of the imposition of a tax on agricultural income. A.—Sec. 4, Cl. (3), Sub-Cl. (VIII) of the Indian Income-Tax Act exempts agricultural income from its operation. Agricultural income has been defined in section 2, clause 1 of the said Act, and includes (*a*) rent or revenue; (*b*) produce or its price.

Generally speaking (*a*) class income is enjoyed by the zamindars and other tenureholders, etc., and in return for this enjoyment assured to them by the Permanent Settlement, the zamindars pay revenue for their respective estates (and derivative tenureholders to the zamindar). Fixity of revenue has been guaranteed and the State demand has been limited to the revenue fixed which is unalterable for ever leaving the balance to the zamindars (and persons deriving title from them).

Class (*b*) income (produced or its price) is enjoyed by cultivators and that also is exempted from income-tax under the Income-Tax Act.

So long as the Income-Tax Act stands, agricultural income cannot be made liable to income-tax. The Income-Tax Act, however, can be amended by the legislature. But then the question arises whether having regard to the terms of the Permanent Settlement Regulations agricultural income can be taxed. On the one hand it may be contended that the income derived from land has been subjected to a fixed Government revenue by the Permanent Settlement which cannot be altered by the imposition of any demand upon agricultural income under any other denomination. On the other hand it may be said that

the Permanent Settlement merely made the land revenue fixed and unalterable, it did not preclude the imposition of any tax on the holders of land along with other subjects of the State, if the necessities of the State require it. The question is not free from difficulty. There are two decisions of High Courts which have held that agricultural income cannot be made liable to income-tax having regard to the Permanent Settlement. The Judicial Committee has however held that the Permanent Settlement Regulations do not exempt income from zamindari from liability to any future general scheme of property taxation. That being so, income from zamindari may not be exempted from income-tax.

It appears that income-tax was imposed once during 1860-65 and again during 1869-73 on agricultural income. "The exemption they (agricultural incomes) enjoyed from 1873 to 1878 was in common with all other incomes, and that the taxation scheme of 1878, which was part of the famine insurance policy of Lord Lytton's Government combined taxation of the income of the trader with a cess on the land." (Indian Taxation Enquiry Committee's Report.)

"In the first instance, agricultural incomes were assessed to income-tax, and that when the income-tax was replaced by a license tax, they were assessed to a corresponding burden in the shape of a cess. It was the continuing existence of this corresponding burden that was responsible for their exemption in the Act of 1886." (Indian Taxation Enquiry Committee's Report.)

It appears that the owners of land had to pay cesses while all other sections of the public had to pay income-tax. That being so, if land is made liable to income-tax there will be burden (*a*) of revenue under the Permanent Settlement, (*b*) of road and public works cess, and (*c*) of income-tax which does not seem to be justifiable, unless other sections of the public are also made liable to cesses.

Q. 14. I do not advocate the abolition or cancellation of the Permanent Settlement. If, however, it is decided upon, compensation should certainly be given to the zamindars and all other landholders above the cultivators. They have an indefeasible claim to compensation and section 299 (3) of the Government of India Act, 1935, is a bar to the acquisition of any landed property without compensation. Zamindars holding from Permanent Settlement must have spent millions and millions of rupees for reclaiming and bringing under cultivation the waste and uncultivated land, and even for payment of revenue for preservation of their estates (taken settlement of at one-eleventh of the assets) in years of drought, inundation and other calamities. Then the numerous purchasers of *zamindaris* and purchasers of permanent tenures and other interests above those of cultivating raiyats, paid millions and millions of rupees in acquiring their interests in good faith

believing in the solemn pledge given at the time of Permanent Settlement, and in subsequent tenancy legislations no one ever dreaming that under the British Government there could be a confiscation of their rights. Such a thing was not done even under the despotic rule of the Muhammadan Government.

It is not easy to calculate the amount of compensation but it should be on the market value.

The market value would vary in different districts, and would depend upon the nature of the interest, whether the property is entire or a fractional share, improvements made such as embankments, excavated irrigation channels and tanks and various other factors. These should be determined by a committee of competent persons.

The total cost cannot be ascertained without determining the profits of each zamindar or tenureholder after deducting the revenue or rent, and collection charges, and how many years' purchase should be paid for each class of cases.

Taking the raiyati assets at 12 crores it would be 240 crores of rupees at 20 years' purchase, besides the compensation for khas lands of the landholders.

Q. 15. If compensation is paid in bonds carrying interest, it may be made redeemable after 40 years. The rate of interest should be 5 per cent.

Q. 16 and 21. The zamindari system is the pivot round which rural Bengal turns, and the State purchase of zamindaris and tenures will effect a collapse in the social and economic structure. The educational, charitable and religious institutions maintained by big zamindars are not likely to be maintained by them. The number of big zamindars and tenureholders is small as would appear from the number of electors in the landholders' constituencies in the Bengal Legislative Assembly. There is, however, a very large class of small zamindars, and tenureholders who form the middle class.

One of the social results of the subinfeudation has been the impetus to the increase of a middle class in a country possessing little or no manufacturing industry. At one time the growth of intermediate tenureholders was thought desirable. In a despatch (No. 14 of 9th July 1862), the Secretary of State stated that "it is most desirable, that facilities should be given for the gradual growth of a middle class connected with the land, without dispossessing the peasant proprietors and occupiers. It is believed that among the latter may be found many men of great intelligence, public spirit, and social influence, although individually in comparative poverty. To give to the intelligent, the thrifty and the enterprising the means of improving their condition by

opening to them the opportunity of exercising these qualities, can be best accomplished by limiting the public demand on their lands."

The proprietors, the tenureholders and other middle class people who stand between the zamindars and the cultivators have built up the social and economic structure of Bengal. It is they who have by their intelligence and resources taken the initiative in all social and economic matters in rural Bengal, and the cultivators have followed them, when the former have been able to induce the latter to do so.

About 80 per cent. of the people of Bengal live in villages.

The question of unemployment among the middle classes has become very acute, and while people are advised to "go back to land," it would be disastrous to the social and economic structure of rural Bengal to do anything which would have the effect of driving the middle class people to towns to swell the number of the unemployed, leaving the villages in the hands of only tillers of the soil.

Q. 17. If the State purchases zamindaris, the interests of all tenureholders between the zamindar and the raiyat also should certainly be purchased by the State, as they are all parts of the same zamindari system. There would be no sense in acquiring the zamindari interest leaving the tenures intact. The interest of tenureholders is very extensive and valuable. For instance, a patni is as good as a zamindari, only that the former has to pay rent to the latter, and net profits generally are much smaller. But so far as the raiyats are concerned, he is to all intents and purposes the zamindar. The owners of these tenures paid large sums for taking settlement, but the purchasers of patni and such tenures paid very large sums. If the abolition of the zamindari system is considered essential, all grades of interests should be acquired by payment of fair compensation.

The State purchase of all interests above that of the actual cultivator would lead to no advantage either to the State or to the cultivator, unless there is better farming and better agriculture under State landlordism. The enormous amount of money which would be required by the State for purchase of the interests, or if no cash payments are made, the amount of interest and necessary sinking fund would absorb the major portion of the raiyatwari assets. The collections would be uncertain, remissions may have to be granted in cases of failure of crops, drought or inundation. There may be a repetition of what took place before the Permanent Settlement. The collection charges would be very heavy as there must be a huge establishment for collection of rents, for re-assessment and re-settlement with raiyats and there would be costs for construction of protective embankments and works of irrigation, costs of revisional settlements and maintenance of records. If the zamindars and tenureholders are driven out of the lands, the State

would have also to make additional grants for schools and dispensaries to replace those now granted by them. Taking all these into consideration, it is difficult to see what benefit would accrue to the State.

So far as the raiyats are concerned, if the raiyati system is adopted it would mean higher rents with periodical re-assessments unless the rents of raiyats are made unalterable and fixed for ever, in which case there would be no benefit to the State.

Q. 18 and 19. I am not in a position to answer these questions.

Q. 20. The Permanent Settlement gave an impetus to subinfeudation which however existed from before. The Government under the Permanent Settlement avoided the trouble, risks, and uncertainty of collections under khas management by settling with zamindars at an unalterable revenue. For the very same reasons the big zamindars who found it difficult to manage their estates properly in khas, settled them in patni and other tenures, thus getting a fixed and certain income without any trouble or risk. It was a case of absolute necessity with some of the zamindars to meet the revenue demand, and without the creation of such tenures, some of the zamindaris could not have survived at all. But as observed by Sir George Campbell "if a gradual accession to the wealth and influence of the sub-proprietors be a desirable thing in the interests of the community, the selfishness of the landholding class is not, in this instance, a subject for regret."

The Settlement Regulations (Regulation VIII of 1793, Regulation V of 1812 and Regulation VIII of 1819 among others), encouraged such subinfeudations by giving tenures permanency and fixity of rent. Sir John Shore observed:—"It is certainly also for the interest of Government and Government of the country, that the great zamindars should be dismembered, and a number of petty proprietors be increased. The raiyats or inferior renters who suffer from the irregularity or inequality of the assessment will obtain relief from being transferred to a more prudent, economical or equitable management."

But subinfeudation has not increased the raiyati rents. The income of the zamindar is distributed between him and tenureholders. The raiyats are therefore not affected. They have to pay the rents, whether the person to receive them are the zamindars or tenureholders; and the tenancy laws afford protection to them for any unjust increase or exaction by any tenureholder.

It is true that as a result of subinfeudation the raiyats occupy a lower social position, as subordinate tenureholders occupy a higher status over them, but it has compensating advantages. The great middle class of Bengal was in existence from before the Permanent Settlement but the creation of permanent tenures by zamindars helped their growth and as stated above, the Permanent Settlement has

encouraged it, by giving them permanency of tenure and fixity of rent by legislation, with the result that a numerous body of persons of intelligence, ability and with capital, have been incorporated in the rural society and social and economic structure has been strengtheend and developed.

Q. 22. If the zamindaris and tenures are purchased by the State their homesteads and khas lands should be left with them if they choose to retain them, on payment of fair rent. Those who would prefer to take to farming should be allowed to keep their khas lands in perpetuity with rights of ownership. If they do not choose to do so their khas lands and homesteads should be purchased along with tenanted lands. But many of them have their homestead on rent-free lands, and in such cases the rents should be very small.

The zamindars' and tenureholders' khas lands can be ascertained from the Settlement record-of-rights, and with reference to section 120 of the Bengal Tenancy Act; and homestead can be ascertained from the record-of-rights.

Q. 23. The occupancy right of raiyats as it stands now, is a creation of British legislation. In the earliest Hindu period, as already stated, the cultivator who reclaimed the land, had only the right to occupy and till the land and enjoy its produce. The question of eviction did not arise then, as there were not sufficient cultivators for the vast waste and jungle lands. In later times, and before the Muhammadan conquests, the original settlers of the village and their descendants and new cultivators who permanently settled in the village came to be known as khudkasht raiyats. Khudkasht raiyats were very little disturbed during the Muhammadan period. The rights were hereditary and they could not be evicted so long as they cultivated and paid the customary rent or according to his particular engagements but they could not transfer their holdings. There was not enough profit to lead to systematic underletting and little room for mercantile dealings, such as selling or letting though there was mortgage. At the time of the Permanent Settlement the *khudkasht raiyats were of two descriptions* (*i*) *khudkasht, kadeemee* (*those who had been in possession for more than 12 years* before the Settlement, (*ii*) *the ordinary khudkasht,* and there were the paikasht raiyats who were not resident cultivators. At the time of the Permanent Settlement the only raiyats whose rents were fixed and who were protected from ejectment were the kadeemee-khudkasht raiyats.

The state of things continued till Act X of 1859 when "occupancy-raiyats" were created.

The old distinction between khudkasht (kadeemee or ordinary) and paikasht was abolished. Under that Act it was not essential that the

raiyat should be a resident of the village, nor even that he should cultivate the land. Under section 6 every raiyat who shall have cultivated or held land for a period of 12 years shall have a right of occupancy in the land so cultivated or held by him, whether it was held under a patta or not, provided he paid the rent.

The rent of a raiyati-holding from the time of the Permanent Settlement, or whose rent had not been changed for 20 years could not be enhanced.

The rent of an ordinary occupancy raiyat could be enhanced on the ground, that it was below the prevailing rate, or the value of produce, or the productive power of the land, had increased otherwise than by the agency or at the expense of the raiyat, or that the land had been found on measurement to be greater than that for which rent was previously paid by him. There could not be ejectment except in execution of decree for rent under the Act. Crops could be distrained for the arrears of rent of only one year. There was no definition of raiyat in the Act, and the raiyat could continue to be so even after sub-letting.

The rights of the occupancy raiyat have been very largely extended by subsequent tenancy legislation. Foremost among them is that an occupancy right is freely transferable without any restriction, or payment of landlord's fee whatsoever. It is not necessary for an occupancy raiyat to be a resident, or hereditary cultivator and a non-cultivator may come in within the definition of a raiyat.

His crops cannot be distrained and he cannot be ejected except in execution of a rent decree (as under Act X of 1859). He has right to trees within his holding, he can excavate tanks in his holding, and has got other privileges. Under the Act of 1938 enhancement of his rent is suspended for ten years, and no suit for arrears of rent can be instituted without an interval of nine months.

It appears, therefore, that the rights of khudkasht raiyats of any earlier period cannot be said to be similar to those of occupancy raiyats which is the creation of British legislation.

Q. 24. The view that the cultivating raiyats had "always been the actual proprietors of the soil" is not correct. I have already referred to a passage from Manu, Chapter IX, Sloka 44, "Sages pronounce cultivated land to be the property of him who cut away the wood or who cleared and tilled it" and pointed out that it did not show what "property" was acquired thereby, and whether he had anything more than a right to cultivate and appropriate the produce subject to payment of the King's share of the produce. The principal elements of proprietorship, viz., the right of disposal of the land by transfer did not belong to the cultivating raiyat at any time until by tenancy legislation a class of raiyats (raiyats holding land at a rent or rate of rent fixed in perpetuity) were given the right of transfer and subsequent legislation has

given the right of free transfer to occupancy raiyats. I have also referred to the answer of the Roy Royan (to question 47) where he said, "A raiyat being a tenant holding under a patta, and possessing no authority to sell or give away has consequently no property in the soil (Harington, Volume III, p. 354). In the earliest times when tenants were not numerous the rents paid by them to the State were a form of tax for affording protection to their person and property and for carrying on administrative machinery. But that state of society ceased thousands of years ago, and long before the Moghul period, there were zamindars between the cultivators and the State, and during the Moghul period there was a large body of zamindars and tenure-holders and the British recognised the position.

Q. 25 and 26. Before answering these questions it is necessary to know what exactly is meant by the expression "Actual cultivator" of the soil. Does it mean only the person who actually ploughs with his own hands (or with the aid of the members of his family) or includes also persons who do not themselves plough with their own hands, but carry on cultivation through agricultural labourers?

Leaving aside the case of the actual tiller of the soil who himself ploughs his land, cultivation is carried by a numerous body of persons, who provide the cattle, seeds, manure, ploug and other implements of husbandry, in fact everything, but engages agricultural labourers to actually plough the land. In western Bengal the agricultural labourer is of two descriptions (*i*) the *mahinder* who is a whole-time servant and is remunerated by a fixed pay and he either takes his meals at the house of his master or is given a fixed quantity of paddy for his food. He does not get any share of the produce. (*ii*) The *krishan* who cultivates the land for his master and is remunerated by one-third share of the produce. He has nothing to do with cattle, plough, implements of husbandry, manure or seed or anything whatsoever. He merely supplies his labour, and generally takes advance of paddy or cash throughout the year which is deducted from his share of the produce when the paddy is threshed and divided. The owner if he is a raiyat (or a rent-free holder) has to pay the rent or cesses, provide for irrigation, and repair of the lands and make other improvements such as removing deposit of sand, and filling up of ditches, etc.

All the middle class of Bengal who carry on cultivation with their own plough, etc., do so with the aid of hired labourers as described above. The Brahmins as a class are prohibited by their religion from ploughing lands with their own hands; and all the "Bhadraloks" carry on cultivation in the above manner. (I am not dealing here with case of carrying on cultivation through bhagchasis, bargadars, etc., as they will be dealt with later, with the question about bargadars).

But it is not merely the Brahmins or other bhadraloks who carry on cultivation in the above manner. The actual tiller of the soil has to do the same where he cannot plough all his lands himself. A tiller cannot properly cultivate more than 5 acres of lands which is sufficient for one plough, with his own hands. If he has got more than 5 acres of lands he must take the help of "mahinders" or engage "krishans" to cultivate the rest of the lands, unless he has got other adult male members capable of cultivating lands. In case where he has a large quantity of land or lands more than sufficient for a plough (and he has no other additional male member of his family capable of carrying on cultivation) he is in the same position as the Brahmin or other bhadralog cultivator. Now the "mahinder" or the "krishan" is as much a hired labourer as an ordinary agricultural labourer who is remunerated in cash, the only difference being that the krishan is remunerated by a share of the produce. But between an ordinary agricultural labourer or even a "mahinder," and a "krishan" the latter's services are better from an economic point of view. The ordinary labourer or even a "mahinder" has no incentive to work for larger produce, because whether the produce is small or large, he gets only his wages, whereas the "krishan" has an incentive to work because he will get one-third of any increase in the produce.

The class of persons from whom krishans are recruited are labourers who earn daily wages and have no fixed income whereas the "krishan" gets a third share of whatever he might by his exertion be able to produce from the lands and has therefore practically a stable income, and is better off than a labourer whose wages are paid in cash.

In the rainy seasons (after sowing) when the day-labourer finds difficulty in getting work, and even when there is failure of crops the "krishan" gets advance of paddy and cash from his master which he repays with interest in better years. The class of persons who carry on cultivation through "mahinders" and "krishans" are actual cultivators though they do not actually till the soil with their own hands.

No one has ever suggested that the right of occupancy should be taken away from this class of persons. If that is done, not only the Brahmins and other bhadralogs but many of the peasants themselves will have to sever their connection with land; which would be disastrous to the social and economic structure of rural society.

If the right of occupancy is to be taken away from the raiyats belonging to the middle class, it will also have to be taken away from the actual tillers to the extent of such portion as he cannot plough with his own hands. But as stated above, it is not possible for any peasant to cultivate more than 5 acres of lands, the vast quantity of lands, therefore, will remain either uncultivated or will have to be let out to the landless labourers, but where will such persons who earn annas 4 or

annas 5 a day, get bullocks and other requisites of cultivation? The value of lands will assuredly fall to the lowest limits and the revenue of the State is sure to suffer. These matters should not be lost sight of in considering the question or restricting the right of occupancy to the actual tiller of the soil.

I think the right of occupancy should not be taken away from the numerous bodies of cultivators mentioned above. But when the cultivator has sublet the entire holding for cash rent the right of occupancy should vest in the under-raiyats, as the raiyat in such a case becomes a middle man, a mere annuitant, and there is no reason why the right of occupancy should continue to be vested in him. The same remark should apply to cases where a raiyat sublets a portion of his holding to the extent of such portion.

Q. 27. It is necessary to clear up what is meant by "non-agricultural tenants" and "non-agriculturists." If those expressions have reference to non-agricultural lands, then I do not think that they require any special protection which was intended for tenants of agricultural lands, because one of the main objects of the Permanent Settlement was the extension and improvement of agriculture. But persons who do not belong to the agriculturist (peasant) class and who in one sense may be said to be a non-agriculturist, can carry on cultivation in agricultural lands by hired labour as stated in answer to questions 25 and 26. I do not see why they should not come within the scope of the protection intended for agricultural tenants.

If, however, the land is non-agricultural, the tenant should be left to be governed by the terms of the contract with his landlord.

Q. 28. There does not seem to be any reason why statutory rights intended to protect the interest of the cultivators should persist in land which has been permanently converted to use for non-agricultural purposes. I do not see, however, how the State can levy any additional tax on such lands. Such lands also are included in the Permanent Settlement. Special protection afforded to agricultural lands is one thing, and the State levying additional tax on it is another. Where the land is converted to non-agricultural uses, income-tax may be levied, on the profits of any business carried on, or on the annual value of any building erected on it, which is done even now. But the tenant of such land will have to pay rent to the landlord and perhaps much higher rent when the land is converted to non-agricultural purposes (unless such use is allowed by the present law) and if the State levies any additional tax upon it it would amount to double taxation.

Q. 29 and 30. The number of bargadars, bhagchasis, adhiars, and others cultivating on a share of the produce, is on the increase. The factors that mainly contribute to the increase are those stated in clauses

(*ii*) and (*iii*) of question 30. The number of transfers of raiyati-holdings in favour of non-agriculturists have been growing steadily for a long time, even when they were transferable only with the consent of the landlord, obtained before or after the transfer. The number increased after they were made freely transferable by the Tenancy Act of 1928. Even then, there were some checks on the transfer, as landlord's fee had to be paid at the time of registration of the deed of transfer, and mutation fee had to be paid to the landlord for subdivision of holdings by purchasers of shares of holdings. That check also has been removed by the Bengal Tenancy Act of 1938. The transferor raiyat in some cases, or other persons take the land on "bhag" from the transferee when he does not keep the land in his own cultivation. Many transfers were also due to economic depression for meeting financial liabilities.

It is difficult to see, however, how the non-conferment of any statutory rights on bargadars by the Amending Act of 1928 could lead to an increase in their number.

Q. 31. The area normally held by each bargadar is about 5 acres more than which, cannot be cultivated by a single cultivator. It is difficult to say whether the majority of bargadars hold land in raiyati or under-raiyati right, but many of them take some land on barga where he has not sufficient raiyati or under-raiyati lands for his plough (or ploughs as the case may be).

Q. 32 and 33. I do not think that the right of occupancy and other rights should be extended to bargadars, and in my opinion the barga system is economically sound.

The mode of remunerating agricultural labourers by giving them a share of the produce has been prevalent in Bengal from ancient times, and there is no doubt that it results in increase of production. The mahinder who gets money and paddy as his wages has no interest in the produce of the land, and it is therefore that cultivation through krishans and bhagchasis is better than through mahinders because the latter have no incentive to work for larger production, as they do not get a share of the increased produce.

Persons who have no cattle or plough of their own have to carry on cultivation through bhagchasis (bargadars). He may have lands not sufficient for a plough. On the other hand a bhagchasi may have some raiyati or under-raiyati lands of his own not sufficient for a plough, and if he has a large family, may require lands for two ploughs. Brahmans owing to religious prohibition, and other bhadralogs in this country on social grounds, cannot plough with their own hands, and it is expensive to keep plough and cattle, etc., for cultivating a small quantity of land. There are minors or widows who cannot carry on

cultivation. Then again there are religious and charitable institutions and cultivation of lands which support them must necessarily be carried on through others. All these persons depend upon the produce of the land for their subsistence, and they have been maintaining themselves from the produce of land from generation to generation.

No analogy should be drawn from the fact that the produce-payer in Bihar is a tenant, and the share of the produce which the landlord gets is bhaoli rent. No one denies that there may be a produce rent. Lands are held extensively on bhaoli rent in Bihar.

The question is not whether persons cultivating and sharing the produce with the owner (in which expression I include the proprietor, tenureholder, raiyat, and under-raiyat) may be a tenant, but whether he is so in Bengal. In Bihar sometimes the lands of a whole village are let out on bhaoli rent to raiyats, on the batai or danabandi system. The standing crops are appraised and divided by the agents of the landlords with the aid of *salishes* (arbitrators) if necessary. Sections 69 to 71 of the Bengal Tenancy (repealed by Act IV of 1928) made provisions for cases where a dispute arises as to the quantity, value or division of the crops, or where the tenant or the landlord or his agent does not appear in proper time for appraisement. These sections were in the Bengal Tenancy Act when Bihar also was governed by it, and though they applied to Bengal also, a glance at the decided cases noted in Mr. Sen's Tenancy Act (pages 409-417) would show that they came from Bihar. These provisions were not resorted to in Bengal, at any rate in West Bengal, as the bhagchasi has never been considered a tenant in Bengal (I am ignoring the very few cases in East Bengal where the bargadar was recorded in the Settlement record-of-rights as bargadar).

In Bengal the persons who cultivate lands through bhagchasis are mostly raiyats themselves each owning, generally speaking, a small quantity of land.

In Bihar, the system of bhaoli tenancy prevails from time immemorial. There the land is let out to a tenant on bhaoli rent. In Bengal, on the other hand, the owner and bhagchasi have from time immemorial adopted the bhag system as a mode of cultivation.

The bhagchasi provides the cattle, plough and his labour but the raiyat at the outset pays a heavy price for purchasing the land, then defrays the cost of improving the land when necessary. He has to pay the rent (and cesses) of the land. Where he provides the manure he gets half the straw, and where the bhagchasi does so, the former gets only a small share of the straw. In some places the cost of irrigation (where water has to be purchased) is paid by the raiyat. Where the raiyat is a resident of the village, as in most cases he is, the crops are stored in his yard and threshed if so desired by him, unless he allows

the bhagchasi to do so in the yard of the latter, and then divided between them. It will be seen, therefore, that the bhagchasi in Bengal is not the same as the Bhaoli tenant of Bihar whose position is similar to that of the raiyat in Bengal.

Whether it constitutes a tenancy or is a mode of cultivation depends upon the nature of the arrangement between, and the intention of, the contracting parties. If the bhagchasi and the owner of the land agree between themselves to have the land cultivated by the bhagchasi on the terms indicated above, it would be a mode of cultivation and not a tenancy and this arrangement has been adopted as a mode of cultivation in this country from earliest times.

There is reference to it in Manu, Chapter IV, p. 255, as "Ardhika" and in Yajnavalka (Achara Adhyaya, Sloke 166) as "Ardhasir" which means a cultivator who takes half the crop in return for labour.

In Kautilya's *Arthsastra* reference is made to employment of persons who cultivate for half the share of the produce.

The system has worked smoothly. Sir Frederic, then Mr. Sachse, observes in the Mymensingh District Gazetteer, page 69: "Nearly all the bargadars have jote lands of their own. They employ their surplus plough in cultivating the lands of widow neighbours or of those who have lost their cattle. If the owner wishes to oust them there are always others glad to give them new lands on the same terms. On the other hand there are many who have cultivated the same lands on those terms for generations.....They are an unambitious class and apparently quite content with the profit they get. Generally speaking the bargadars and their landlords are on good terms" and at pages 45-46 in his Mymensingh Settlement Report:—

"So far as we saw in the mufassal the system (barga) works with remarkable smoothness and we never heard any quarrels about the distribution of the crops or the disposal of the by-products."

The idea underlying the question seems to be that bargadars or bhagchasis have some interest in the land which the Government should protect, that the right of occupancy should be with the actual tiller of the soil, and that the conferment of tenancy right upon bhagchasis which will give him a sense of security against being turned out at the pleasure of the owner of the land will lead to increase of produce, and will, therefore, be beneficial to the country from the economic point of view.

But bhagchasis generally throughout the country, at any rate the bhagchasis in West Bengal, have never had any interest in the land. I am not aware of any authority for the assertion that such persons have been treated as labourers only in recent times or that they had the

status of tenants (in the legal sense of the term) at the time of the Permanent Settlement. The power of legislation reserved in the Permanent Settlement Regulation for the protection of cultivators cannot be invoked in connection with bhagchasis or bargadars unless it is shown that they are an oppressed class of people who require protection.

The suggestion involved in the question seems to ignore the practical difficulties of cultivation by the bhagchas system. The produce from land is uncertain, and depends mainly upon the labour bestowed upon it, irrigation, and also upon manure. The idea, as stated above, is to give some sort of fixity of tenure to bhagchasis so that they may not be liable to be ejected at the pleasure of the owner of the land, and the feeling that he cannot be turned out would lead to increase of produce from the land. But it is a mistake to suppose that a bhagchasi is turned out whimsically. Where the bhagchasi cultivates the land properly, the owner of the land would not turn him out merely for the pleasure of doing it. On the contrary, he would try his best to retain such a bhagchasi who has an attachment for the land, whether he is protected by law or not. It is to the interest of the owner of the land to do so and he knows it. As a matter of fact, a bhagchasi may go on cultivating from father to son if he does it properly, and the owner of the land does not replace him by another out of sheer perversity. On the other hand, it is of the utmost importance to the owner that the land should be cultivated by a good cultivator, so that it may yield the largest quantity of produce, as the produce in most cases, is the only thing upon which he and his family depend for their subsistence. In considering such a matter, one should not think only of the wealthy mahajan or pleader, but should consider cases of the countless poor middle class people, minors and widows. It is true that the abolition of the provision relating to commutation removes one of the principal objections. But that is not the sole ground of objection. If the bhagchasi gets a tenancy right, the owner of the land would be at his mercy. However, negligent, the bhagchasi may be in cultivating the land, he cannot be replaced by a good one. It may be said that the bhagchasi would take good care to cultivate the land properly because he has a half share in the crops. But many a bhagchasi has some lands of his own and takes some other land on bhag. But, apart from that, the bhagchasi may be a good cultivator, when the land is taken by him, but he may be disabled by age or sickness from cultivating the land properly, and he must under the circumstances be satisfied with whatever he can get from the land. Then the heir of a bhagchasi may be an indolent or unskilful man. Then again, suppose the bhagchasi dies leaving a widow and minor children, the owner of the land cannot settle the lands with another bhagchasi as the heirs of the deceased bhagchasi have tenancy right. How is the cultivation to be carried on? The heirs of the deceased may have to leave the land fallow or

must make it over to another bhagchasi who might cultivate it indifferently, and the owner may have to be satisfied with the share of a very small quantity of the produce raised by such third person.

It is to be borne in mind that bhagchasis generally are not men of substance, and in many cases there is no security for the owner's share of the produce. Under the present system, where the bhagchasi fails to deliver the share of the produce or dies, the owner can at once settle the land with another person, but if a tenancy right is given the owner will have to sue for his share of the produce, and get a decree which might ultimately prove infructuous. In the meantime, the bhagchasi or his heirs (as the case may be) would continue in possession. The process will have to be repeated, and the owner of land may have to starve for the whole period, as the produce in many cases is the sole means of his subsistence. The cattle may die in the cultivation season, and the bhagchasi may not be able to purchase cattle at the proper time. Why should the owner be compelled to share the misfortunes of his bhagchasi in these cases? If the bhagchasi has no tenancy right (as at present), the owner of the land in any of the contingencies mentioned above, may step in, and make arrangements for cultivating the land by some other person in bhag or in other ways.

If the bhagchasi is astute enough, he might cultivate the land indifferently, or even leave the land fallow, say for a couple of years (in the meantime taking some land on bhag from some other person or earning a living as a labourer, as some of them belong to the "labourer class" and not to the cultivating class), in order to compel the owner of the land to sell the land to him at a nominal price. These are some of the objections (and they are not fanciful) which may be urged against conferring tenancy rights upon the bhagchasi, and no workable scheme can be devised for obviating them. These considerations do not arise when land is let out to a tenant at a fixed quantity of paddy. As I have already pointed out, in the bhag system the produce may be stacked in his yard if so desired when the owner is a resident of the village, where it is threshed, and then divided with the bhagchasi. If a tenancy right is given to the bhagchasi he would as of right take the produce to his own house, and if he is dishonest, the owner would have to be satisfied with whatever the former may choose to give him as his share. I do not mean to say that a bhagchasi has to be turned out for his laziness or dishonesty every year. But under the present system, he knows he can be turned out if he is guilty of negligence or dishonesty, and he is practically perpetually on his trial. Once a tenancy right is conferred upon him he is safe, and the motive which impels him to work hard, and, cultivate properly, would be gone. Then again the system of appraisement would have to be resorted to in order that the owner may have his proper share of the crops without dishonesty on the part of the bhagchasi. That certainly is expensive for

a raiyat in Bengal who has given a few bighas of land to a bhagchasi for raising crops for his subsistence. In Bihar the landlords (zamindars or tenureholders) can afford to bear such expense as very large areas are let out on bhaoli rent. It might be asked, if there is no difficulty in Bihar, where the bhaoli system prevails and the cultivator has got the status of a tenant, why should it be different in Bengal if tenancy right is given to a bhagchasi? But it must be borne in mind that in Bihar, the raiyats themselves hold lands on bhaoli rents. As already pointed out, sometimes whole villages or half the lands of villages are held on bhaoli rents. The persons who let them out are generally the zamindars or tenureholders. If they let out lands on cash rent, the rent they would get would be small, and there is no doubt that they get much higher rent under the bhaoli system. In the circumstances it does not matter much if an individual raiyat does not cultivate his lands to the best advantage. The lands let out in bhaoli are extensive and there is the system of appraisement in the field which is a safeguard against dishonest dealing by the tenant. In Bengal on the other hand, as already pointed out, those who settle land in bhagchas are (among the persons who cannot cultivate themselves), generally raiyats or rent-free holders and they have to live upon the produce of the land. The bhagchasi where he has no lands of his own and is a hardworking man, cultivates the land properly, and he has no fear of being turned out. But many a bhagchasi has some raiyati lands of his own, and he would not bestow so much care on the bhag lands, as he would do on his own raiyati lands, because in the former case he would get the entire produce and in the latter only a half. It is of the supreme importance to the owner of the land to see that the land is cultivated properly and to the best advantage, and where it is not done by the bhagchasi, or he is dishonest, to replace him by another. These are the main reasons why the raiyats are so much against the conferment of tenancy right upon bhagchasis.

Then it has yet to be shown that the bhagchas system works hardship upon the bhagchasi. The krishan generally gets one-third for his wages. The proportion of the produce which a bhagchasi gets varies in different localities and depends upon the nature of the soil, the demand for land and the cultivating population in the locality. Generally the bhagchasi gets one-half of the produce and gets almost the whole of the straw as he provides the cattle and the manure. Where the owner provides the manure, the bhagchasi gets half the straw (there are local variations). The price of straw in some years may be equal to the price of at least one-third of the paddy which the bhagchasi gets as his share.

A person having both raiyati land and bhag land cares more for the former than for the latter, but that is not because the tenure of the bhagchas land is uncertain, but because he gets the whole produce of

the raiyati land on payment of only a small money rent to the landlord. Where he has no raiyati lands, and has to depend solely on the bhagchas land, the bhagchasi if he is a hardworking man does not and cannot afford to neglect it. Instances are not rare where a hardworking and skilful bhagchasi has saved money and acquired raiyati lands, and then given up the bhagchas. In such cases it is the existence of the bhagchas system which has enabled him to become a raiyat. The hardworking and skilful bhagchasi needs no protection under the law, as he is greatly in demand. It is the indolent and unskilful bhagchasi who is turned out, and any tenancy right conferred upon such a person would not only result in injury to the owner, but would be a distinct economic loss to the country.

It may be pointed out that the owners of land who get lands cultivated in bhagchas provide the capital when any money has to be spent for reclaming the land rendered unfit for cultivation by inundation or deposit of sand or otherwise, and they have to meet the costs for irrigation, where the bhagchasi cannot afford to do so.

The economic adjustment has taken place through a long time, with local variations depending upon various circumstances. The bhag system has worked satisfactorily in the past, there are no indications that it needs change at the present time, and in my opinion it should not be disturbed upon the ground of supposed hardship on bhagchasi or from a mistaken view that it would conduce to the economic welfare of the country.

To give the bhagchasi the status of tenants would be to rob the owner of the land of a substantial portion of his rights, and may in many cases be disastrous to the poor middle class people who on social and religious grounds or from disability arising from sex, age, sickness, or minority, cannot cultivate the land themselves but who entirely depend upon the produce of land, and also to religious and charitable institutions.

It may be said that some sort of tenancy right may be given to bhagchasis, viz., a tenancy-at-will, with a right to the owner to eject the bhagchasi on certain grounds, such as that he has failed to cultivate the land properly or has no means to cultivate it. But how is the Court to decide the question? A few days' delay in sowing, manuring or irrigation or doing many other acts of husbandry would have a serious effect on the crops. Witnesses would have to be examined to prove or disprove the matters in dispute between the parties, involving heavy expense to them, and it would be almost impossible for any Court to decide the matters involved in enquiries of this nature. No workable scheme can be devised by which the objections to the conferment of tenancy right may be obviated.

I do not think we should discuss the barga system with reference to any system of cultivation in Europe, the conditions of the soil, the

habits of the people, the social conditions and the general economic conditions of the country being so very different.

There are some people who look upon the bhadraloks as drones and idlers but those "drones" have built up the social structure in rural Bengal and have always lived upon the produce of land in this country. Many of them are holding lands from before the Permanent Settlement as raiyats or lakherajdars for generations, and getting the lands cultivated through mahinders and krishans, or bhagchasis where it is not convenient for them to keep cattle and plough. One should not forget that Bengal is not Europe, that the habits and customs of the people are quite different from those of Europe, and that many people in this country cannot cultivate themselves on social or religious grounds. They cannot for the same reasons work as mill-hands in factories and mills. But they have to live, and the mode in which cultivation is carried on is the result of the economic and social adjustment of ages. As stated above, the middle class people are living in the villages and supporting themselves from the produce in these ways from time immemorial, and one should not forget that the effect of driving away these people from villages would be to swell the number of unemployed in town.

It sometimes happens that middle class people come to towns for employment leaving their lands with bhagchasis. But now that no employment can be had, they will have to go back to villages, and be compelled to take up cultivation. The conferment of a tenancy right upon bhagchasis, however, would close that door also. However that might be, most of the people who get lands cultivated in bhagchas system reside in villages, and they will be seriously affected if tenancy right were given to bhagchasis. Middle class unemployment is already very acute, and I am of opinion that nothing should be done which would have the effect of driving them to towns where they would find it impossible to get employment.

The objections to the conferment of occupancy rights upon bargadars, bhagchasis, etc., do not arise to the conferment of such rights where the quantity of produce to be paid to the owner is fixed, provided that there is no commutation of such produce into money rent (which was abolished by the Act of 1928). Most of the persons who let out lands at a fixed quantity of produce maintain themselves with the produce received from the farmer. A money rent would ordinarily be very small compared with the price of the quantity of the produce at which the land is let out and the owner's income would be enormously reduced if commutation of the produce were made. He would, therefore be practically ruined if commutation is allowed. It may be observed that in fixing the quantity of paddy sufficient margin is allowed for the risk involved in this system and a cultivator would not take settlement at a fixed quantity of the produce unless he is himself

satisfied that the land is capable of bearing the burden. Moreover if any difficulty arises on account of failure of crops owing to reasons beyond control the matter is amicably settled between the parties.

Q. 34. There is no doubt that the effect of giving occupancy right to bargadars will lead the zamindars and others to keep the khas lands in their direct possession, and that a large number of people now cultivating as bargadars will be thrown out of employment.

It may be remembered that when there was a proposal by Sir John Kerr's Committee to confer a tenancy right upon bargadars prior to the passing of the Amending Act of 1928, there was excitement and aroused much opposition, and considerable volume of opinion had been received by the Government, and the Government had to issue a communique that they had decided not to accept it.

Landlords and others who had purchased raiyati lands for good value would certainly oppose the conferment of tenancy right upon bhagdars which would have the effect of reducing their income to a very considerable extent.

Q. 35. One-half of the produce is generally the share payable by the bargadar except in the hal-krishani system where it is two-thirds, i.e., the cultivator gets only one-third. I think that the proportion should be left to be settled by the parties, and no maximum limit should be fixed, as it varies in different localities being regulated by the laws of demand and supply; the bargadar in most places being able to dictate his own terms.

Q. 36. The wages of agricultural labourers vary in different localities and are regulated by laws of demand and supply. In some parts of the country it is generally 4 to 5 annas per day. Sometimes it is less but in the sowing and harvest season it is more. I understand that in areas under jute cultivation the wages of agricultural labourer during jute cutting and steeping season rises as high as twelve annas a day. The economic position of a bargadar or under-raiyat is better than that of an agricultural labourer because the former has cattle and plough, and is of a higher status.

Q. 37. Although before the Act of 1927 raiyats had no right to transfer, the number of transfers were very considerable with the consent of the landlord obtained before the transfer or (as was more commonly the case) after the transfer, on payment of salami to the landlord, and a very large number passed into the hands of non-agriculturists. After the Act of 1928 when the raiyat was given an unrestricted right of transfer there certainly was an increase but still there was some check as landlord's fee (salami) had to be deposited at the time of registration of kobalas. The Act of 1938 abolished the salami and there is now nothing to prevent the passing of occupancy holdings to

non-agriculturists in larger number though sufficient time has not elapsed since the Act of 1938 to enable one to say to what extent transfer to non-agriculturists has increased. But in the nature of things, it must increase this tendency, as transfer can now be made freely without reference to the landlord and without payment of salami. Even the mutation fee under section 88, Bengal Tenancy Act, has been abolished (except one rupee for each mutation).

When the price of paddy or jute was high (for two or three decades) the agriculturists had money and could purchase lands. They could offer higher prices than non-agriculturists. But with fall in prices those days are gone. It is the money-making classes who like to invest their money in lands and the greater the facilities for transfer, the greater the tendency for lands passing into the hands of non-agriculturists.

As for restricting transfers in favour of agriculturists, it is difficult to see how it is practicable. Apart from other considerations, such restriction would tend to the lowering of price very considerably. If the non-agriculturist monied classes are excluded, and transfers are limited to agriculturists only, the market value of land would certainly go down, and in some places where the agriculturist purchasers are poor, the seller would not get anything like a fair price.

However that may be, it would be inconsistent to give an unrestricted right of transfer coupled with a restriction as to the persons to whom the transfers are to be made, more specially as the persons who would be disqualified from purchasing are mostly the persons who can pay a fair price.

It is difficult to offer suggestions on the point. But if the object of the Government is to protect the cultivating classes, the right of transfer should be taken away from them. In this connection, I may refer to the Minute of Sir Richard Garth, C. J., dated the 13th September 1884, during the Rent Bill controversy (Report of Government of Bengal on the Rent Bill of 1884, Volume III, page 87).

"I quite admit that to make the occupancy right saleable would increase its value in the market. But it does not at all follow that this will be beneficial to the raiyat himself. On the contrary, I consider that there is no surer mode of exterminating occupancy raiyats as a class than by permitting them to transfer their tenures; and I believe it would be found, on enquiry, that in those districts where occupancy rights have become transferable by custom, a large portion of them have already found their way into the hands of mahajans, planters and others, whilst the original owners of those tenures have become non-occupancy raiyats.

"If the Government really mean to benefit the occupancy raiyat, let them take every possible means of preventing him from ruining

himself by parting with his ancestral jotes, and becoming the prey of those whose interest it is to deprive him of his status and property.

"Sooner or later occupancy raiyats will want money, families will increase in number; discord and partition will sever the ancestral holdings, marriages and sradhs become more and more expensive; Brahmins will have to be fed, and good seasons and prosperity will not last for ever. If the occupancy right can be sold and mortgaged, most assuredly it will be sold and mortgaged; and that in a very few years. The man of money will buy up all the occupancy rights, which are to be made the most valuable in the soil, and the occupancy raiyats of the present day will become in a few short years either non-occupancy raiyats or coolies.

"Only see what has happened within the last 150 years in our own country. How many of the old yeoman families who were the copy-holders and customary tenants of former days (answering as nearly as may be to the khudkasht raiyats here), are in existence now? How many of the old country gentlemen's families retain their ancestral property? The few of each class who are now to be found, owe the slender remnant which still belongs to them to the law of entail. The rest are gone, and to whom? To those, for the most part, who answer to the land-jobbers, and the trades-people of India, that is to say, land agents, bankers, merchants, trades-people and the other money-making classes. The land finds it way sooner or later into the hands of the man who makes money; and it is so, and will be so, in British India."

Q. 38. The minimum size of an economic holding should be 5 acres. But if the family is a large one, and if the adult male members of the family are capable of carrying on cultivation, the area should be proportionately larger.

Q. 39, 40 and 41. The size of many raiyati holdings is uneconomic. The laws of inheritance, the statutory right of transfer and the increase of population are all tending to further subdivision and fragmentation of holdings.

Consolidation of holdings up to a certain limit is desirable, but it is difficult to bring it about. There are various classes of lands in a holding, and there are varieties of soil in different fields in the same village. The quality of good lands or lands on which two or more crops can be grown is small in each holding, and on division among heirs, every one of them naturally is desirous of having a portion of such lands in his share, which leads to fragmentation. I do not see how any particular co-sharer or co-sharers can be deprived of such lands or of lands in a particular field on the ground that it would otherwise be uneconomic. Owing to insufficient rainfall or inundation, there may be no crops in one field, while there may be good crops or other kind of crops in other fields. But fragmentation of holdings is encouraged by the right of

free transfer of even portions of holdings by tenancy legislation supposed to be for the benefit of raiyats. Then again section 88, Bengal Tenancy Act, though it does not lay down the area of land in respect of which the division or distribution of rent can take place, gives facility to co-sharers or purchasers to get a distribution of rent even where the rent payable on subdivision is only one rupee (Rs. 2-8 being reduced to one rupee by the Act of 1938).

There are some advocates of farming on extensive scale (by tractors etc.). That, however, is out of the question with regard to cultivation in this country. Nor do I think that collective farming would be liked by cultivators but experiments may be made in some areas if they agree. Sometimes (though rarely) several krishans cultivating different plots of land under the same master join together in ploughing lands or threshing corn. The cultivators may be induced to do "team work."

It would not be fair or just to introduce extensive farming with tractors, etc., in the place of small farmers who cultivate lands with the help of persons like krishans paying them wages by a share of the produce instead of in cash. Lands in the hands of some of the well-to-do small farmers tend to be consolidated to some extent, and I think that facilities should be given to such farmers, for exchange and the right of pre-emption by reason of vicinage, and by prohibiting transfer of portions of holdings below the economic unit, unless the portions transferred become compact blocks in the hands of the transferee with other lands which the latter might have in his possession. But such consolidation would not last long because there would be fragmentation again under the laws of inheritance. As already stated each person getting land by inheritance must get portions of land of different classes in different fields.

Q. 42. Accumulation of large areas in one particular hand is not desirable. Very large areas cannot conveniently be cultivated by cattle even with the help of krishans. It would lead to sub-letting and rack-renting. I think a limit of, say, 30 acres should be imposed, but it is difficult to prevent acquisition of raiyati-holdings to avoid accumulation.

Q. 43. Coparcenary is detrimental to good cultivation where the holdings are uneconomic, but the evil cannot be removed without interfering with the laws of inheritance. What can be done to minimise it, has been stated in answer to questions 39 to 41, but it would not last long (*see* the same answers).

Q. 44. The effect of coparcenary and fragmentation in estates and tenures do not affect agriculture, and the question may be left to the mutual understanding among the coparceners themselves.

Q. 45. I do not think it is necessary to compel co-sharer landlords by legislation to arrange for collections. If the co-sharers cannot conveniently arrange for collection owing to disputes among them, or where the tenants are put to harassment or inconvenience in the payment of rents, recourse may be had to the provisions for appointment of common manager in the Bengal Tenancy (sections 93 to 99). There is also the provision for appointment of common agent for certain purposes (*see* 99A).

Q. 46. I think that besides extension of cultivation, it was contemplated that one of the means to be adopted by the landlords for increasing their income of property would be, by enhancement of the rates of rent payable by tenants at the time of the Permanent Settlement. That appears from the Permanent Settlement Regulations themselves.

(*i*) Under section XLIX of Regulation VIII of 1793 the rents of istemrardars (mokararidars) who have held land at a fixed rent for more than 12 years were not to be increased should he engage for his own lands.

(*ii*) With regard to other istemrardars who have not held for so long a period but with whom the zamindar had contracted not to increase his rent, the zamindar would be bound by his contract.

It follows, therefore, that even in the case of istemrardar (mokararidars), the rent could be enhanced if he had not held at a fixed rent for more than 12 years. In the case of other istemrardars who had not held for 12 years, the rent could be enhanced if the zamindar had not bound himself by contract not to do so.

(*iii*) The zamindar had under section LII the right to let the remaining lands of his estate under the prescribed restriction in whatever manner he may think proper.

(*iv*) Under the "prescribed restrictions" the abwabs were to be consolidated with the asal rent into one fixed sum which was to be stated in the patta which the raiyat was entitled to get. No fresh abwabs were to be imposed.

(*v*) Under section LX, the pattas of the khudkasht raiyats could not be cancelled except upon the ground (among others) that the rent had been reduced within the last three years below the rate of the *nirikbandi* of the pargana, or upon a general measurement of the pargana for the purpose of equalizing and correcting the assessment. That shows that rent could be enhanced in cases not falling within the said exceptions.

(*vi*) Where it was the established custom to vary the patta for lands according to the articles produced thereon, and the landlord and tenants wished to adhere to such system, the engagements between them were to specify the quantity of land, species of produce, rates of rent and

amount thereof, etc.,.....and in the event of any new species being cultivated, a new engagement was to be executed accordingly.

(*vii*) There was no provision for fixity of rent of paikasht raiyats.

Q. 47 and 48. The question whether the framers of the Permanent Settlement contemplated permanency and fixity of rates of rent either in the case of tenants then existing, or in the case of tenants who might subsequently be introduced on the land, has to be determined with reference to the Permanent Settlement Regulations themselves.

The question has been dealt with in answer to question 46. As already stated under section 49, Regulation VIII of 1793 the only tenancies of which rent was fixed in perpetuity were istemrardars (mokararidars) who had held (*i*) at a fixed rent for more than 12 years and (*ii*) such istemrardars who held for less than 12 years but with regard to whom the zamindars had bound themselves by deed not to "lay any increase."

Under section 51 the rent of dependent talukdars was not to be enhanced, except on proof that the zamindar was entitled to do so under the special custom of the district, or by the conditions under which the talukdar held, or that by reason of having received abatements of rent he subjected himself to the payment of the increase demanded, and that the lands were capable of affording it.

The zamindar was to let the remaining lands of his estate under the prescribed restrictions in whatever manner he might think proper (section 52).

The prescribed restrictions were, that the impositions upon the raiyats under the denomination of abwabs, etc., were to be consolidated with the *asul* into one specific sum (section 54), and no new abwab, etc., were to be imposed (section 55).

Section 56 runs as follows:—"It is expected that in time the proprietors of land, dependent talukdars and farmers of land, and the raiyats will find it for their mutual advantage to enter into agreements in every instance for a specific sum for a certain quantity of land, leaving it to the option of the latter to cultivate whatever species of produce may appear to them likely to yield the largest profit. Where, however, it is the established custom to vary the patta for lands according to the articles produced thereon, and while the actual proprietors of land, dependent talukdars or farmers of land and raiyats in such places shall prefer an adherence to this custom, the engagements entered into between them are to specify the quantity of land, species of produce, rate of rent and amount thereof with the term of the lease and a stipulation that, in the event of the species of produce being changed, a engagement shall be executed for the remaining term of the first lease, or for a longer period, if agreed on; and, in the event of any new species

being cultivated, a new engagement, with the like specification and clause, is to be executed accordingly.

The rents to be paid by the raiyats by whatever rule or custom they may be regulated were to be specifically stated in the patta which in every possible case shall contain the exact sum to be paid by them where the rate only could be specified, or where the rents are adjusted upon a measurement of the lands after cultivation or on a survey of the crop or where they are made payable in kind, the rate and terms of payment and proportion of the crop to be delivered with every condition shall be clearly specified (section 57).

The raiyat may demand a patta from the proprietor, etc., when his rent has been ascertained and settled, and the proprietor also was to cause a patta to be prepared and tendered to the raiyat (section 59).

Under section 60 all leases made previous to the conclusion of the Settlement to remain in force until the period of their expiration, and no proprietor to cancel the pattas of khudkasht raiyats unless the rents paid by them within the last 3 years had been reduced below the rate of the nirikbandi of the pargana, or upon a general measurement of the pargana for the purpose of equalising and correcting the assessment.

It appears from the above provisions, that it was only (*i*) istemrardar (mokararidars) holding at a fixed rent for more than 12 years, (*ii*) istemrardar with regard to whom the zamindar has bound himself by contract not to enhance, and (*iii*) khudkasht raiyats whose rents had not been reduced below the rate of the *nirikbandi* of the pargana, who were protected from enhancement. With regard to all classes of tenants the rent was to be consolidated with abwabs, etc., and a specified sum was to be entered in the patta, but that, however, does not show that their rents were not liable to enhancement. These and other provisions referred to above, were made in order to obviate any dispute as to what the rent (total rent) was, and had nothing to do with the question of enhancement of rent.

Then the engagements were (under section 61) to vary according to the nature of the articles of produce to be cultivated, and as regards the nirikbandi of the pargana section 60 contemplated general measurement of the pargana for the purpose of equalising the assessment. In these circumstances it cannot be held that the fixity of rent of any class of raiyats other than those of khudkasht raiyats was contemplated.

The preamble to Regulation XLIV of 1793 states "It is essential that the proprietor of land should have a discretionary power to fix the revenue payable by their dependent talukdars and to grant leases or to fix the rents of those lands for a term sufficient to induce the dependent talukdars under farmer and raiyats to extend and improve the cultivation of their lands.

The pargana rates were established by Todar Mal during the reign of Akbar, but there was not one rate, there being different rates for differerent classes of crops, and the raiyat had to enter into a fresh engagement if desirous of changing his crop.

The Board of Directors wrote to Government of Bengal in their letter, dated the 15th of January 1812, "the Permanent Settlement has secured to the proprietors of the estates, the whole of a rise in their rentals."

Again in the year 1815, the Board of Directors wrote as follows:—

"The effect of the Permanent Settlement on lands, such as has been established in the lower provinces of Bengal is to augment the landlords' rent."

The words "rise in the rentals" and "to augment the landlords' rent" should be taken to refer not only to the augmentation which would follow the reclamation of waste and jungle lands, which in the nature of things would take a long time, but also enhancement of rents existing at the time.

Turning to judicial decisions which must be taken as the most authoritative in a matter of construction of statutes, I may refer to the observations of the Judicial Committee of the Privy Council in the case of Radhika Choudhurani *vs.* Bama Sundari Dasi, 13 Moore's Indian Appeals 248:—

A suit to enhance proceeds on the presumption that the zamindar holding under the perpetual settlement has a right from time to time, to raise the rents of all rent-paying lands within his zamindari according to the pargana or current rates, unless he is either precluded from the increase of that right either by a contract or the lands can be brought within one of the exemptions recognised by the Permanent Settlement of 1793. The right of the zamindar to enhance rent is presumable until the contrary is shown.

In Maharanee Shibessuree Debi *vs.* Mathura Nath Acharji, 13 M. I. A. 270 (275), where a Jama was created by a shebait at fixed invariable rent, the Judicial Committee referred to "augmentation of a variable rent from time to time," to the "variableness of the Jama as a normal condition" and to "a presumption against the rent having been fixed founded on the ordinary character of rent."

I do not think that any inference, that the rents of those tenancies which existed at the time of the Permanent Settlement were meant to be fixed in perpetuity, arises from the wording of section 50 (I), Bengal Tenancy Act. Whether fixity of rent was intended must be determined with reference to the Permanent Settlement Regulations themselves. The fact that 66 years afterwards, in Act X of 1859, and 92 years afterwards in Act VIII of 1885, it was

enacted that the rents of tenancies existing from the time of the Permanent Settlement could not be enhanced, and that payment of rent at a uniform rate for 20 years raised a presumption that the rents were not changed from the time of the Permanent Settlement, do not show that the rent was meant to be fixed in perpetuity at the time of the Permanent Settlement. The Legislature thought it expedient to enact the law that the rent of tenancies existing from the time of the Permanent Settlement are not liable to enhancement. Suppose it is enacted now (in 1939) that rents of tenants existing from the time of the Permanent Settlement are not liable to enhancement, it could not be contended that any inference arose therefrom that nearly a century and a half before, it was meant by the Permanent Settlement Regulations that the rents were to be fixed in perpetuity.

It is settled law now (under Act X of 1859 and Act VIII of 1885) that rents of tenants and their predecessors in interest which had not been changed from the time of the Permanent Settlement cannot be enhanced, and that a presumption can be drawn from payment of rent for 20 years at a uniform rate that the tenancy has been held at that rate from the time of the Permanent Settlement.

But reference is made to " the general ground that when the revenue of the zamindar was made unalterable, if it was intended that the rents of raiyats should not remain unalterable also, the State could not have allowed the zamindar to get the entire benefit of any enhancement of raiyati rents."

But the case of the zamindar with whom the Permanent Settlement was concluded at an unalterable revenue is totally different from the case of raiyats. The zamindar took settlement at one-eleventh of the assets, and was under the terms of the Settlement bound to pay the revenue punctually, whether there was drought or inundation, failure of crops or the rents could not be realized on any other ground whatsoever and on the condition that on default of punctual payment the estate was to be sold forthwith. The raiyats did not enter into any such agreement with the zamindars. Whether the rents of tenants could be enhanced or not depends as stated above, upon the terms of the Permanent Settlement. If the rents of raiyats could not be enhanced under the Permanent Settlement there is an end of the matter. If they could be enhanced, the State could not have any share of the benefit of such enhancement having regard to the terms of the Permanent Settlement.

So far as tenancies not in existence at the time of the Permanent Settlement, the rents were to be governed by contract—patta.

Rents of new tenancies (it is to be borne in mind that one-third of the whole province was waste or jungle) were to be assessed

according to the customary rate of the pargana, it is to be observed that there was no one rate for all classes of land. They would vary according to the crops to be cultivated, the nature of the soil, and facilities of irrigation, etc. Assuming that the assessment was to be made according to the different customary rates, it appears that the *nirikbandi* of the pargana was not ascertained. Mr. Macdonell in his memorandum on the Memorial to the Secretary of State by the Central Committee of the Landholders of Bengal and Bihar (Report of the Government of Bengal on the Bengal Tenancy Bill, 1884, page 67) pointed out that, "It was in vain that Lord Cornwallis strove to force his summary procedure for securing a record-of-rights upon the country by declaring in Regulation IV of 1794 that the mere tender by zamindars of "pattas according to the form approved and at the established rates" should bind the raiyats. In vain, too, did he strive to reconcile the zamindars to the interchange of leases and counterparts with their raiyats by establishing a certain line of distinction in regard to rent matters bettween the Judicial and Executive Departments of Government. "This he did by transferring to the Civil Courts, then newly established, the determination, subject always to the maximum limit of the pargana rate, disputes regarding the terms, while leaving still with the Collector the approval of the forms of the patta. Neither zamindars nor raiyats would accept the scheme; the former aiming at arbitrary power, the latter fearing some hidden danger to their immemorial customary rights. Therefore the scheme remained practically inoperative."

On the whole I am of opinion that with the exception of tenancies which were expressly exempted from enhancement, it cannot be said that rents of other tenancies were intended to be fixed in perpetuity.

As regards fixity of tenure, a khudkasht raiyat could not be ejected so long as he paid rent, but he had no transferable right, and the landlord was not bound to recognize the transferee. The paikasht raiyat was merely a tenant-at-will.

Q. 49. Assuming that it was the intentions of the framers of the Permanent Settlement that the rents of the tenants then existing should never be increased, I do not think that there is any case for reducing the rents of such tenants in future or retrospectively to the level prevailing at the time of the Permanent Settlement.

(*i*) It would be extraordinary to give retrospective effect to a supposed intention a century later; (*ii*) and it would be doing gross injustice (in fact it would be an act of expropriation) to the purchasers of zamindaris upon the footing of the rights under the laws passed subsequent to the Permanent Settlement, and also to the derivative permanent tenureholders who have taken settlement of, or have purchased tenures on that footing.

If the rent is not high, there is no valid ground why it should be levelled down to what it was at the time of the Permanent Settlement.

Even if it is high, it would be unjust to restore the rent existing at the time of the Permanent Settlement without restoring the conditions which prevailed in 1793 which of course is impossible.

I do not think that there are sufficient materials for determining what the rates at the time of the Permanent Settlement were, and for distinguishing those tenants who are successors-in-interest of tenants existing at the time of the Permanent Settlement, and those who have taken settlement subsequently, and it would not be possible (excepting perhaps in a few cases) to get the materials for doing so.

Q. 50. I have already expressed my opinion in answer to questions 47 and 48 that it was not the intention to fix the rents of tenants (other than those expressly exempted) in perpetuity. The subsequent tenancy legislation rightly provided for increases of rent on the ground of a rise in the price of staple food crops.

As for the principle of enhancement on the ground of rise in prices see answer to question 61.

Q. 51. Under the Permanent Settlement, waste lands could be settled by zamindars in any manner they liked subject to certain restrictions. It was, however, the intention of the framers of the Permanent Settlement that the pargana rate should not be exceeded. But there was no one pargana rate; there were different rates for different kinds of crops in each pargana. The pargana rates, however, were never definitely ascertained, even before Act X of 1859, and at this distance of time it is not possible to determine the same. But apart from that, it is difficult to see how effect can be given to such intention now. Suppose the pargana rate was two rupees an acre at the time of the Permanent Settlement, the purchasing power of the rupee at the time was immensely higher than what it is at present, and assuming that the pargana rate can be ascertained now, you cannot revert to that rate unless the state of affairs existing at the time of the Permanent Settlement could be restored.

Under Act X of 1859 the "prevailing rate" was adopted as the maximum, as also under section 30A, section 31, Act VIII of 1885 (further restricted by sections 31A, 31B).

Q. 52. I am not in a position to express any opinion on the systems which have been tried or advocated in other provinces, unless I get the details and the result. A definite share of the produce according to the nature of the different crops would be simpler, but as pointed out poorer land has to pay higher rent in that system.

Market value in the present state of the market value of land in Bengal would not be a proper basis for determining fair rent.

Customary rates according to the change in price of staple food crops would be better but that does not take into account the prices of valuable crops.

Competition rents will tend to rack-renting. Under section 27 the rent paid by an occupancy raiyat shall be presumed to be fair and equitable until the contrary is proved.

Considering all circumstances, I think that the existing rent should not be disturbed, as it is the result of adjustment during a long course of time.

Q. 53. It is difficult to say to what extent the present rents paid by cultivators under the proprietors of permanently settled estates are fixed on (*a*) custom, (*b*) competition, (*c*) consideration of productivity of land, respectively. It would be more or less a matter of conjecture.

Probably the majority are lump rentals, but generally speaking the rentals were originally based upon custom, and one of the elements in determining the customary rate must have been the productivity of land. All lands, however, were not assessed at the same time, and competition was a factor in some cases, and not in others, but the productivity of lands is always taken into consideration.

Q. 54. It is not my experience that the poorer and weaker tenants pay higher rents, but it is just possible that at the inception of a tenancy, in a few cases a poorer tenant cannot pay salami, and has therefore to pay a comparatively higher rent.

The factors which have played part in framing the existing rents in Bengal are not the same in all cases. All tenancies have not originated at the same time. Generally speaking, however, custom, the nature of the soil, the productivity of the land, irrigation and marketing facilities, liability to inundation and floods, demand for land among local people having regard to the extent of the local population (and to a certain extent unhealthiness) all these are some of the factors.

Q. 55 & 56. Assuming that all zamindars and middlemen between the State and raiyats are moved, readjustment of rent on a uniform basis throughout all parts of the province, would be extremely difficult. The nature of the soil varies in different districts and even in different parts of the same district, and also in the same village. Of course assessment on a general principle such as the cash equivalent of one-fourth or one-sixth of the gross produce and

different rates for each class of produce may obviate the necessity of considering the nature of the soil and the crops, the methods of cultivation and irrigation, embankment and such like matters. But the price of different kinds of crops and marketing facilities are not the same in all localities and the cash equivalent of a share of the produce at one place may mean much more than that in another. Again assessment on the principle of the cash equivalent of share of the produce at different rates for different kinds of crops would necessitate a regular and huge establishment for enquiring into the crops raised and revising assessments from time to time. That, however, must be done if assessment is to be made on the above principle.

Q. 56. If a definite share of the produce on its cash equivalent is paid to the State or the existing landlord, one-sixth share should be adopted. See however the observation made in answer to question 55 above.

Q. 57. If the Permanent Settlement is abolished, and State landlordism is introduced, the raiyatwari system, I suppose, will have to be adopted and the rent will be liable to alteration from time to time. Otherwise the State would not derive any benefit by abolishing the zamindari system, if the raiyati assets remain the same and the rent is fixed in perpetuity. But it should be borne in mind that an uncertain and increasing State demand on land would not permit people to profit by their own industry and would take away the incentive to increase the produce and to make agricultural improvements. Increase of State demand under the raiyatwari system is different from the increase of rent which is a very small one, under the present zamindari system.

Q. 58. I think there would be no advantage by the substitution of income-tax on profits from agriculture in lieu of rent. In the first place it would involve a complicated and highly expensive enquiry into the profits of agricultural tenants, and secondly if tenants with small profits are exempted from income-tax (which must be done), the largest number of tenants will escape the tax altogether, as the largest number of them have no decent income.

The nature of the enquiry into their profits from agriculture would also be harassing to tenants.

Q. 60. Neither the landlord nor the tenant does anything when there is fluvial action, but the tenant is entitled to get abatement of rent when there is deposit of sand. That being so, there is no reason why the landlord should not get enhancement when the land is improved by fluvial action. But some good lands might have been washed away by fluvial action. In such cases if the tenant has not

got abatement of rent, he should get the major portion of the benefit which may accrue owing to fluvial action.

The landlord should get some enhancement when land is improved owing to fluvial action. I do not see however why the State should get any share of any benefit arising out of the fluvial action as under the Permanent Settlement the whole area is settled with the zamindar.

The benefit should be divided between the landlord and the tenant by the Court, I do not see how the State can come in for any share of the benefit resulting from fluvial action.

Q. 61. I do not see any objection on principle to enhancement on account of a rise in prices. On the contrary I think it is a good ground for enhancement. If the rent were paid by a share of the produce, the rise in price of course would be immaterial. But it would be very material if the cash equivalent of the share of produce is the rent. Suppose the price of paddy rises from Rs. 2 to Rs. 4 a maund, and the rent of an acre of land is Rs. 4, the landlord would have to pay Rs. 4 (i.e., the entire amount of rent, viz., Rs.4) for purchasing one maund, on account of rise in price, whereas he could have purchased two maunds if there were no rise. So practically the rent is reduced by half by the rise in price. On the other hand the raiyat gets double the value of the crops without any exertion or industry of his own, and there is no hardship if he has to part with only a small share of the extra profits which he gets by the rise, more specially as he is entitled to reduction of rent on account of fall in prices [section 38 (*1*) (*b*), Bengal Tenancy Act].

Q. 62. I do not think that the case of tenants who require their whole crops for their own consumption should be exempted on the ground of rise in prices, as it is unsound on principle, and unworkable in practice. In the first place detailed enquiry would have to be made for determining whether the tenant requires the whole crops for his own consumption. Secondly one tenant may have three members in his family, another may have a dozen. In the former case there may be a surplus of crops after consumption, whereas in the latter not only the whole may be required but may even be insufficient. If the requirements of a tenant were to determine the question, the rent of the latter should be reduced. Thirdly, the crops may be sufficient for a cultivator, but after his death by reason of division among heirs, and transfers of portions, it may be insufficient, and this process will increase with increase of families or of transfer of portions. Lastly, suppose a tenant who requires the whole crops is to be exempted, transfers the holding, and the transfree has got a very small family, would the holding be liable to enhancement in his hands? Suppose again such a person transfers

the holding to another with a big family would the holding be again exempted, and so on? This shows that it would be unworkable in practice.

Q. 63. Enhancement of rent on the ground that it is below the "prevailing rate" does not stand on the same footing as reduction of rent on the ground that it is above the prevailing rate. The two cases are entirely different. Under the Permanent Settlement the zamindars were given the right to enhance the rent not exceeding the pargana rate. The pargana rate could not be determined, and under the tenancy legislation rent can be enhanced on the ground of its being below the "prevailing rate." It is on the faith of these provisions of the law that many estates and tenures have been bought and sold.

That probably is the reason why tenancy legislation did not provide for reduction of rent on the ground of its being above the prevailing rate, although other grounds for reduction of rent have been provided for.

The Tenancy Act of 1885 which made provisions for "Improvement" was passed more than half a century ago, and I am not aware of tenants having taken recourse to those provisions. It is not possible to prove improvements even if any were effected more than half-a-century before, and the improvements, if any, must have been exhausted after such a lapse of time. Salami is not necessarily advance rent. It is paid in consideration of the lease granted and rights conferred.

Q. 64. I do not think that there should be a law for reducing high contractual rents.

Rent fixed by contract depends on several factors such as the nature of the soil, and the nature of the crops which can be grown, the situation of the land and facilities of irrigation. Rent may be high as compared wtih other lands, having regard to such considerations but a tenant would not agree to take land at an unduly high rent unless he can make a profit out of the land after paying such rent. If he cannot do so, he would give it up and the rent would find its level when the landlord wants to settle it with another.

As for limiting rents for new settlement I do not see any reason why law should interfere with contracts now that the tenants are sufficiently alive to, and can protect, their own interests. No one is compelled to take settlement at a particular rent, and tenants generally do not take lands at rents which would be unremunerative.

Q. 65. Not in a position to answer this question.

Q. 66. I am not aware of any case where the settlement of fair rents in private estates under section 105 of the Bengal Tenancy Act resulted in unfair enhancement.

Q. 67 to 72. I am not in a position to answer these questions.

Q. 73. I think that the productivity of the soil in western Bengal is generally on the decrease. The reasons are—

(*i*) Insufficient rainfall.

(*ii*) Silting up of river, and water channels which used to irrigate the lands.

(*iii*) Embankments, railways and roads obstructing the flood water from passing over the lands by which a rich deposit of silt was made.

(*iv*) Manure available (owing to lesser number of cattle, etc.), not being sufficient.

(*v*) Want of good cattle for cultivation.

Q. 74 to 79. I am not in a position to answer these questions.

Q. 80. The principal grievance of cultivators is that the prices of paddy and jute are too low. If a reasonably fair minimum price were fixed, the condition of the cultivator would be immensely improved. Before 1927, for about three decades the price of paddy and jute was high, and during that period, the cultivators became prosperous, and could and did purchase lands. In fact they offered higher prices than the monied non-agriculturist class, because they would get the whole of the crops, and therefore could pay better prices. But those days are gone with the fall in prices. That is the first and foremost means of increasing their income. But that can be done only by necessary prohibition, tariffs, and imposition of export or import duties (as the case may be). In western Bengal, paddy is the principal income of the cultivator. At one time it sold at Rs. 4 per maund, gur (molasses) sold at 3 or 4 seers to the rupee, but for the last few years gur is selling at 10 seers for a rupee. (This year the price of gur is looking up). At that time the amount of rent was not worth consideration. It could be easily met by the cultivator. There has been a severe falling off in the income by reason of the fall in prices of agricultural produce.

The next point of importance is the question of irrigation in Western Bengal. Owing to deficit rainfall either at the time of sowing or before the paddy becomes ripe, crops are not sown or if sown, the outturn is a small. The principal sources of water-supply in western Bengal are the irrigation tanks, and water channels, etc.

They are mostly silted or choked up. If means could be devised for re-excavating them, the irrigation problem could to a large extent be solved in most areas. The owners of these tanks (generally khas tanks of zamindars, tenureholders and rent-free holders) are now mostly impecunious, and cannot afford to improve them. The provisions in the Bengal Tenancy Act relating to improvement are too cumbrous, and in consequence recourse is taken very rarely if ever to those provisions. But surely means may be devised by which such things can be done by co-operation between the owners, the cultivators and the Government, the latter bearing the cost, at any rate advancing money without interest, and realizing it by easy instalments spread over a number of years, the cultivators voluntarily paying a small cess for taking the water. It can be arranged by District Officers and Circle Officers supplemented, if necessary, by legislation.

I believe the problem of removing the water hyacinth may be solved in a similar manner. But it must be in a systematic and sustained way, and not by sporadic efforts here and there. Prevention of epidemic and treatment of cattle is a matter of great importance to a cultivator. The go-baids (quack veterinary physicians) knew something about the treatment of cattle diseases, but they have nearly died out. The Government should give training to and turn out some veterinary physicians who would be able to act as go-baids. If they are useful it would give an employment to them.

The prevention of floods may to a certain extent be done by raising embankments at proper places, but that is an ambitious problem to be solved by experts and such extensive works cannot be done except by the Government. Jute is Bengal's money crop. The cultivation of other money crops such as cotton should be encouraged. Provision should be made for distribution of better seeds, and manure for improvement of the quality and quantity of the produce, and for the prevention of insects destroying crops and for irrigation, and these should be arranged by officers of the Government. Improved methods of cultivation certainly are important, but the methods must not be costly and should be on indigenous lines. District Magistrates, Subdivisional Magistrates and Circle Officers can do much with the co-operation of influential men of villages and with demonstration work by officers of the Agricultural Department. But the efforts must be systematic, and no schemes should be made which the cultivators are unable to pay for. It is not possible to enter into details here.

Facilities should be given for supplying capital to cultivators who require it many times a year, specially when the cattle die. Co-operative credit societies have not been able to do much as the procedure is cumbrous, and it is becoming increasingly difficult to get other persons

to form "groups" for obtaining loans from such societies. In many places they have been abolished.

There should be a simple method. There was the village mahajan who could be approached by a cultivator at any time for a loan, but owing to the Bengal Agricultural Debtors Act, the cultivator has lost all credit, and he finds it exceedingly difficult, if not impossible, to get loans from the mahajan. The Bengal Agricultural Debtors Act which was enacted for the benefit of the cultivator has ruined his credit, no provision having been made for advancing him loans before or even after the Act was put in force.

Bengal is an agricultural province, and cultivators have been used to agricultural pursuits from time immemorial. Other industries are foreign to peasants. The more they are induced to augment their income by pursuit of other industries, the more they would neglect agriculture. Proper cultivation involves whole-hearted attention to it. After the sowing there is weeding, and then comes the cultivation of rabi crops which requires constant attention, preparing the land, irrigation, etc.

Then there is the harvest season, the reaping of crops, the bringing them from the fields and the threshing them require a good deal of time. After that the sugarcane cutting and pressing operations, and lastly the manure has to be taken to the fields. It is a mistaken notion that peasants sit idle for six months in the year. That may be so where only one crop is grown. But it is not so with the cultivator who cultivates various kinds of crops properly. I think therefore that endeavour should be made to increase the income of cultivating raiyats from land. There are a few months in the year when the peasant is not so much occupied and he may do some other work (home industries). The women can in their spare time weave, and the men also as a subsidiary occupation. But although it would be an encroachment on the business of the weaver, the latter class has dwindled by reason of mills and they cannot supply the needs of the people.

Co-operative farming or co-operative cultivating societies are unsuitable for the Bengal peasant.

Cattle insurance and Crop insurance in the present condition of the Bengal peasants, are not likely to be successful, as they are too poor to pay premiums, but experiments may be made in some particular areas by inducing people to do so.

Q. 81. The pressure of population on the land is one of the reasons of the poverty of the agricultural classes, but the pressure is very heavy in East Bengal. In some districts of western Bengal it is not only not heavy, but sufficient local agricultural labour is not available, and

cultivation is being carried on in some localities with the help of Sonthals. I think the main causes are:—

(1) Low price of agricultural produce.

(2) Decreased fertility of the soil, with no efforts for improving it.

(3) Want of sufficient manures and better seeds.

(4) Insufficient rainfall and want of sufficient irrigation facilities in western Bengal.

(5) Want of improved methods of cultivation.

(6) Bad health of the cultivators owing to Malaria, etc., and want of medical help in rural areas, tending to inefficiency of labour.

(7) Want of good cattle, and with no arrangement for treatment of cattle diseases or prevention of epidemic.

(8) Want of pasturage in many localities.

If these causes could be removed, I think Bengal can bear partly at any rate the pressure of population. There are still large tracts of uncultivated lands in the Burdwan and Presidency divisions.

I am unable to say what percentage of the population is surplus in respect of the needs of the country, as I have not got the necessary statistics.

Q. 82. I do not think that the only means of relieving the pressure, is to divert the populations to large industries by starting Government-aided factories which are not likely to come into existence in a short time, and even if they do, the landless labourers may find employment as millhands, but would not provide sufficient employment for the bulk of the cultivators if their number is very large. I think that the removal of the main causes for the poverty indicated in answer to question 81, may afford relief to some extent.

Q. 83. There can be no improvement of agricultural credit, unless Union Banks (for short-term loans) and Land Mortgage Banks, are established by the Government in every union. The agricultural loans now given by the Government, I believe, are given once a year, and for petty amounts. Loans are not granted to an individual; there must be "groups" who are to be responsible for the debts of all persons forming the group. Many cultivators may and do want loans of paddy occasionally for six months in the year and cash also. They used to get loans from the village mahajans at any time they were in need of it, and there was no question of any "group." Each individual could get loan easily. But Debt Settlement Boards have destroyed the credit of cultivators, and mahajans would naturally stop advancing loans.

Q. 84. I do not know if 25 per cent. of the gross produce of land goes to mahajans as interest alone. Loans of paddy carry interests at 25 per cent. (Barhi) which are repaid by paddy. But krishans and bhagchasis get advances of paddy from their masters, which are deducted when the paddy is threshed and divided, but they also have to pay interest at that rate. They have not however to go to mahajans.

The only way of stopping the annual drain referred to in the question, is by establishment of Union Banks and Land Mortgage Banks in every union, as stated above. But those banks would not, I suppose, advance paddy loans which many cultivators are in need of, especially during the rainy season, unless special arrangements are made for purchasing and storing grains by Union Banks which is however not a practical proposition.

The only other alternative is to abolish the Bengal Agricultural Debtors Act, and allow the village mahajan system to be restored, by amending the Moneylenders Act, if necessary, providing for fair interest only, but not so to deter mahajans from advancing loans.

Q. 86. I am unable to say how far the Debt Settlement Boards have been able to deal with the problem of agricultural debts. So far as I am aware they have been able to afford relief to a few honest debtors though at the expense of the mahajans by granting instalments spread over a large number of years. But there are dishonest debtors and the result has been disastrous to the raiyats as the whole system of agricultural credit has been materially affected, and in some places entirely dislocated. No mahajan would venture to advance loans, when the debtor cannot only delay but practically defeat the just dues of the mahajan.

It is however not only the ordinary debt due to the mahajans but the arrears of rent due to landlords that come under the purview of the Act. The landlord generally sues for rent after four years, and after he has spent money for bringing the suit and getting a decree, and paid the costs of execution, the tenant in some cases, on the day of the sale gets a stay order from the Debt Settlement Board and the sale is stayed. Things go on leisurely and months elapse before an order is made. In the meantime everything is stayed, and the landlord has to pay the revenue or rent from his own pocket, because the Government or the zamindar (as the case may be) does not postpone the time of payment on the ground that the raiyat has gone to the Debt Settlement Board. It is specially hard upon patnidar or other tenureholders, whose tenure is liable to be sold under the Astom sale or rent sale. Even where the application to the Debt Settlement Board, is rejected, the order is not communicated to the Court staying sale at once. It is done leisurely. The Act provides for a number of notices, and the procedure is a

cumbrous one, by which the tenant is enable to delay the payment of the decree for rent, or the rent (which has not been sued for). There is a provision in the Act under which the application before the Board cannot be entertained unless all the tenants join in the application but there is a bill for amendment of the Act in which it is proposed that it can be maintained even when any one co-sharer tenant makes the application.

One result of the Act is to encourage the tenant not to pay rent. He has no incentive to pay the rent so that he may not fall into arrears. He knows that he may with impunity leave the arrears of rent unpaid, because the Debt Settlement Board will make the rent payable in instalments. The landlords would be therefore compelled to sue for rent every nine months. In the long run the debtors would not be benefited by the provisions of the Act.

I think that rents due to landlords should be taken out of the purview of the Act, and the procedure under the Act should be simplified by reducing the number of notices prescribed by it, and provisions should be made for speedy disposal of cases.

Q. 87. I think that the suggestion that the Government should establish agricultural banks in every union to finance the agriculturists in times of need with short-term loans, is a good one. The Debt Settlement Boards should not be allowed to function before providing for advancing loans to debtors as they have lost all credit by reason of the Act being enforced.

Q. 89. The machinery available to the landlords for prompt realisation of their dues is too costly and cumbrous. The provisions about distraint have been repealed in Bengal by the Amending Act of 1928. A tenant who is dishonest or wants to delay the realisation of rent, can easily keep the landlord out of his dues for a very long time, by availing himself of the dilatory procedure in rent suits. He may take any number of frivolous defences, and there is no provision for awarding penal costs against him in such cases if found to be so, in the Bengal Tenancy Act itself, and I am not aware that the provisions of section 35A, Civil Procedure Code (which apply to rent suits), are ever availed of, in rent suits. He may fight the landlord for months and on the final date of hearing he may absent himself in order that the case may be treated as *ex parte* and thus evade payment of the full amount of pleader's fee.

The provisions of section 148 (*i*), Bengal Tenancy Act, viz., that a written statement shall not be filed without leave of the court is rarely if ever applied. Section 150 which lays down that if the defendant admits that money is due to the landlord for rent, but pleads that the amount claimed is in excess of the amount due, the court shall refuse

to take cognizance of the plea unless the defendant pays into court the amount admitted to be due, is got round by adding a few words that no rent is due, and there is no provision for penalty if the plea turns out to be false. Execution proceedings after decree take a long time to bring the defaulting tenure or holding to sale, and the sale may be set aside by depositing the decretal amount within 30 days. Under the present law application for setting aside the sale may be made within six months from the date of sale or date of knowledge of the sale on the ground of material irregularity in publishing or conducting the sale with consequent substantial injury. A rent suit is generally brought for arrears of rent for 4 years and it will be seen how the dilatory process for realization causes great hardship on landlords. Everything goes on leisurely and every facility is given to tenants to delay payment. Even where the tenant is not dishonest and does not fight the claim, the landlord must go through the procedure prescribed, which is unnecessarily expensive, and the costs allowed by the Court ultimately have to be paid by the tenant. The landlord has to meet the other costs from his own pocket.

I think a simple procedure may be adopted:—(1) The summons may be served through the Union Board within a very short time and a registered post card through the post office. (2) Now the record-of-rights have been prepared, the intermediate changes may be ascertained by issuing notices to landlords and tenants and the records brought up to date. Where a dispute arises as to title or the amount of rent the matter may be referred to and decided by the Civil Court. Future changes may be notified to the Court by the Registering Officer in case of private sales and by the executing Court in the case of sales in execution. (3) Application for execution may be made for sale of the tenure or holding on the lines of patni sales under Regulation VIII of 1819, but only once a year (not twice as in patni sales), the limitation being reduced to one year. (4) Any dispute as to the amount due may be settled in a summary manner as in that Regulation. (5) A sale may be set aside only on deposit of the amount within 30 days of the sale, except in the case of fraud.

The procedure suggested would be simple and expeditions. The landlord may apply for sale on the 1st Baisak for the rent of the previous year, and the sale may take place within a month of the application, with the least possible cost to the landlord and the tenant. There would be no question of the date of sale, as every one would know that the sale would take place on the first day of the next month (as in the case of the patni sales). Where a serious dispute arises as regards title, or any other matter which cannot and should not be decided in a summary manner, the case may be dealt with in the same way as a regular suit.

Facilities should not be given to tenants to pile up arrears of rent, which they are unable to pay with the consequence of being compelled to sell a portion of their holdings or leading to a sale thereof in rent sales. It is really "cruel kindness" to show tenderness to raiyats which may have the effect of arrears of rent growing higher and higher.

I have suggested the general lines on which it may be done. It will not be difficult to settle the details. But of course it would seriously affect the State financially and also the income of the legal profession and of all persons connected with Courts.

Q. 90. Recovery of rents through the Public Demands Recovery Act is not popular because it is effective. But I think that if a tenant is compelled to pay rent expeditiously, though it may be considered to be "harassing and offensive" at the time, is really beneficial to him as stated above. I have made my suggestions for the speedy recovery of rent under question 89 above.

Q. 91. It may be advisable to remove complications in the revenue laws by revising and codifying them in a more up-to-date and simple form, if it could be done without changing the Permanent Settlement system or the tenancy laws. It is on the faith of these laws that rights have been created, and transfers have taken place, and people have invested money in land, and unless a committee of experts examines the statutes and judicial decisions, the matter should not be touched. It should on no account be undertaken by persons who are not competent to do so, and the matter should not be treated as one in which parties holding opposite views can change the provisions in support of their respective views. If it is done at all, it must be a matter of merely simplifying the statutes to be done by legal and other experts, having nothing to do with policy or party politics.

Q. 92. There is no provision in the Patni Regulation (VIII of 1819) for subdivision of a patni or surrender thereof, and the absence of such provisions operate harshly on the patnidars. There may be a number of co-sharers among the patnidars some of whom may be quite willing to pay their shares of the patni rent, but the entire patni would be sold up in case some other co-sharers do not pay. Even if the former saves the patni from sale by paying up the entire amount, he will have to sue the other co-sharers for contribution which is expensive, the defaulter may be involved in debts, in which case the co-sharer saving the tenure from sale cannot recover anything from the former as there is no charge in favour of a co-sharer. In any case there is no reason why the patnidars should not be allowed to surrender.

I think that the provisions of section 88, Bengal Tenancy Act, should be extended to patni tenures, with a minimum limit of the amount of

rent below which the tenure cannot be subdivided, provision being made for payment of a reasonable amount of landlord's fee for such subdivision.

Q. 93. The economic effect of the Tenancy Act Amendment of 1938 is certainly highly prejudicial to landlords and to a certain extent to tenants also. The mutation fee on transfer has to be paid even in England. The abolition of the landlord's salami on transfer proceeded upon the assumption that the raiyat is owner of the land, which is one of the very questions to be considered by the Land Revenue Commission.

As already stated the right of unrestricted transfer is the surest way of ruining the raiyat, and the abolition of the landlord's fee which was some check on transfers by raiyats, gives facilities to the raiyat to get rid of his holding.

The abolition of the landlord's right of pre-emption deprives him of his right to oppose the thrusting of an undesirable tenant against his will. It is prejudicial to the raiyat also. The conferment of the raiyat of pre-emption upon a co-sharer of the holding is good so far it goes. But in most cases, co-sharers in holdings, who are impecunious, would not be able to exercise the right like the landlords. A transfer at an under-value could be prevented by the landlord exercising his right. The exercise of such right has not been extensive, but it is the fear of the landlord stepping in, that reduced the chances of the transferor being defrauded and kept the price of the lands maintained at the normal level.

I am unable to estimate the loss of landlords' income owing to the abolition of transfer fees, but it is very considerable where the zamindari is in khas possession. The patnidars and the permanent tenure-holders are the worst sufferers because the margin of their profits is generally small, and the landlords' fee was the principal source of their income.

Reply by Dr. Radha Kamal Mukherjee, Professor of Economics & Sociology, University of Lucknow.

Q. 1. The description, though exhaustive of the duties of the zamindars is hardly fair since the object of the Permanent Settlement was stabilisation of revenue demand in Bengal to enable Lord Cornwallis to establish order and security and prosecute his wars outside Bengal. Neither the injustice to the Bengal raiyat nor the welfare of the zamindars as "proprietors" loomed large in the picture at the time of the Settlement.

The Permanent Settlement obliterated the khudkasht raiyat's customary rights and also contributd to the disintegration of the village community, which guaranteed these latter. The raiyats had the right to hold at pargana rates, which customarily governed all rents. They had also a number of communal privileges in regard to their homestead plots and to the pasture and forest lands, to the bundhs, water reservoirs, irrigation channels and fisheries, to the services of the village officials and servants, and to the timber and fuel of the fields and forests. If these customary rights had been maintained much of the later tenancy legislation would not have been necessary.

Q. 3. The zamindars on the whole failed to perform the functions expected of them at the Permanent Settlement. Among the reasons are (1) the harsh operation of the Sunset Law and outright sale of many ancient raj and landlord families, (2) the loss of touch between the zamindars and the actual cultivators due to the process of subinfeudation, which has not terminated merely with the patnidars and ijaradars, (3) the decay of the village and preference for the social amenities of the city, which promoted absenteeism among the zamindars.

Q. 4. There were a few feudal landlords and farmers of land revenue who might have claimed the status of actual proprietors but customary rights of raiyats prevented rack-renting and eviction. But the zamindars were first declared to the "proprietors of the soil", "landholders", "landowners" in the Permanent Settlement. Every prejudice of Lord Cornwallis and others, arising out of British notions of landholding and the relations of landlord and tenant in Great Britain came to be entirely on the side of the zamindars who since began to look upon the "raiyats" as their "tenants".

Q. 5-8. The annulment of the Permanent Settlement would not be a breach of pledge because the avowed intention of the Settlement, viz., the amelioration of condition of tenants as embodied in the first paragraph of the famous declaration was not carried out by the zamindars. Further, not merely were tenants no parties in the agreement but for several decades their rents were enhanced and they were

ejected arbitrarily by the zamindars, who profited by the special rules made in favour of auction purchasers. Thus the tenants were denied the security, which they enjoyed according to ancient custom and which it never was the intention of the Government to abrogate at the time of the Permanent Settlement.

The State or the community can no longer sacrifice its share in the growing values of land, which are the outcome of natural expansion of population and increase in cultivation and of the development of public works undertaken by the State. The increase in land revenues is to be attributed more to the enterprise and toil of tenants under conditions of peace and security assured by the State than to any initiative, investment of capital and good management of the zamindars. The welfare of the community, of which the most considerable section is represented by the actual tillers of the soil necessitates elasticity of public revenue and expenditure. Further the Permanent Settlement, which limits the share which a particular section of the community, viz., the zamindars, is called upon to contribute to the general revenues, results in an unfair tax burden on all other classes in the community. The present inequality in the distribution of the tax burden as between landholders of different classes and between the landholders and other classes in society has been a serious hardship on the masses of people, represented by small and impoverished tenants, while the progress of agriculture, education and sanitation has all been lamentably retarded due to lack of revenue. In Bengal the Government is being constantly asked to tackle new problems of river management, flood control, water-logging and malaria, unknown to other provinces, but its revenue is inelastic. In Bombay, for instance, the land revenue is double that of the revenue derived from income-tax, while Bengal's land revenue is only half and her incidence of total rates and taxes less than one-third of the latter.

The absence of an income-tax on agricultural incomes and a death duty perpetuates the injustice that the superior landholders contribute a relatively small quota of their surplus towards the State, while at the other end of the scale the small and impoverished tenants often find their entire surplus swept away by rent, which tends even to trench upon their bare minimum of subsistence. There is a fundamental difference between the reward of labour which the raiyat and actual tiller of the soil expect from that which the zamindar expects from the investment of his own savings. There is a far greater social injustice involved in an encroachment on the direct return to one's present toil than in the indirect return to past labour or saving, which implies a considerable surplus somewhere and at some time.

Q. 9. In some districts in eastern and northern Bengal the protection given by stronger and better landlords has offered facilities of extension of cultivation; while the process of subinfeudation itself has

helped towards the reclamation of forests and swamps which made it impossible for single landlords to supervise the settlement or to collect rents over a large area. But such reclamation was motivated by the landlord's desire to increase the margin between revenue and rent collection.

In other areas the zamindars have not as a class contributed much either to the extension of land or to its permanent improvement. As a matter of fact in considerable portions in Bengal their apathy is responsible for the disrepair of tanks and irrigation channels, while their appropriation of village commons, meadows and pasture lands for settlement among the raiyats largely accounts for the decline of the breed efficiency of cattle to the detriment of cultivation.

Not merely absenteeism but the elaboration of the patni, ijara and thika systems are responsible for the superior interest losing touch with the tillers altogether. Both subinfeudation and absenteeism, which have been the outcome of a variety of social and economic circumstances, have contributed towards inefficient management of estates and loss of interest of the zamindars in the improvement of land or economic condition of tenants.

Q. 10. The Permanent Settlement has on the whole led to the disadvantage of the tenants which has been aggravated by both subinfeudation and absenteeism.

Q. 11. Yes.

Q. 12. Yes.

Q. 13 to 15. I suggest the following method for buying off the zamindaris and tenures and establishing direct dealings with raiyats who would pay rent to Government and buy holdings from landlords, paying for them in easy instalments:—

(1) The Government would merely guarantee to the zamindars the annual payment of net rents (reduced to economic levels) and security for themselves and their heirs.

(2) The Government would settle the tenantry on the estates with restrictions of sale, mortgage or transfer and prevent such holdings being reduced lower than the economical limit.

(3) The Government should fix a certain multiple of the rent as the price of the land which the tenants would pay to the landlords through Government by easy instalments for acquiring proprietary rights in their holdings.

(4) The Government should advance money to tenants through co-operative societies and land mortgage banks to aid them in the acquisition of proprietary status and starting work as cultivating owners without any serious handicap of indebtedness.

(5) The Government should first float a land acquisition loan for financing tenants through land mortgage banks to enable them to acquire ownership status.

(6) The tenantry would pay rents to Government, scaled down to economic levels, and interest and a quota of the principal borrowed for the purchase of rights in land.

The Government should establish a special Land Acquisition and Mortgage Department on the lines of the Reich Government which has bought off estates in East Prussia and Bavaria from the landlords, and obtained a portion of the compensation cost from owners of "family holdings" in easy instalments extended over a reasonable period or in the form of annual rents. Such procedure is exactly applicable to Bengal conditions to-day, and should be studied carefully and in every detail to facilitate the transition from the zemindary system to cultivating ownership.

Q. 16. The purchase of zamindaris by cultivating owners would diminish the social distance between the aristocracy and the peasantry and eliminate the social advantages of investment of capital in land, which has been detrimental to industrial development in the province. A strong and productive middle class will also emerge attached to the land and capable of using it scientifically.

Q. 17. The under-tenureholders and lessees should also be bought off though at a price less than paid to zamindars, and merger may be made obligatory, which will eliminate a large number of existing tenures in the districts of eastern Bengal.

Q. 23 to 26. Occupancy right is the creation of British law. It was reserved for the actual tillers of the soil, but has been misused, due to inadequate restriction of sub-letting, mortgage and transfer resulting in the creation of lower and unprotected grades of tenants. Occupancy status should now be restricted to the actual tiller of the soil.

Drastic restriction of sub-letting is necessary. A raiyat who sublets his holding for more than three agricultural seasons continuously should forfeit his occupancy right, which would belong to the actual tiller of the soil; whether under-raiyat or bargadar. The occupancy privilege thus would belong to the genuine raiyat class.

Further, no tenant should have the right of occupancy in so much of his holding which cannot be tilled by him without habitually employing hired farm hands.

The principle of cultivation of land with one's toil must be reasserted as the criterion of occupancy privilege, and neither habitual employment of hired labour nor leasing should be permitted. This will be in line with advanced land legislation in Germany and other countries,

which have sought to establish small cultivating family ownership. The abolition of the long array of middlemen, which has grown behind the security of the legally recognised raiyat in Bengal, can be effectively achieved only in this manner.

Q. 29 & 30. The number of bargadars and bhagchasis has been increasing for several reasons—

(1) The middle class in Bengal which do not resort to cultivation advance money to raiyats and purchase occupancy holdings resettling the raiyat on a produce rent for their convenience.

(2) The increase is especially noticeable in such areas in Midnapur, Dacca, Faridpur and Tippera where the upper Hindu castes dominate and have resorted to agricultural money-lending. Cultivation through chakars or hired servants is more irksome than bhagbili, and as the middle class came in possession of land it is the latter system that flourishes.

(3) The more well-to-do raiyats have in prosperous years increased the size of their holdings and practised sub-letting. Some agricultural castes ape the manners of the bhadraloks and are refusing to drive the plough, and have acquired the habit of employing adhiars as soon as they acquire more than 12 to 15 bighas of land. This is marked in Western Bengal.

(4) The increase of transfer of holdings to non-agriculturists, marked in the recent years of agricultural depression, has also led to the rapid and persistent spread of produce-paying tenancies. While in the past the rise of agricultural prices initiated the system of produce rents, so that the middle and money-lending classes could reap its full benefits, the depression has facilitated the transfers of raiyati holdings to their hands, and the spread of produce-sharing in recent years.

Q. 31. The area normally held by the bargadar is small and scattered. Raiyats have been sold off and are often bargadars in slices of holdings which formerly belonged to them. Where there is heavy population pressure and great competition for land, small tenants and agricultural labourers clamour for and obtain barga. This leads to rack-renting and imposition of a salami.

Q. 32. All bargadars whether they pay rent in so many seers or in fixed proportions of the produce should obtain the right of occupancy, provided that they have been in continuous possession of holdings for 5 years in 1938, or have homesteads in the village. From the peasant point of view there is no distinction between rent in cash and rent in kind, or between peasants who pay a fixed amount of produce and those who pay a definite share as fixed by local usage. All should acquire the right of occupancy.

Q. 33. The barga system is economically unsound and agriculturally disastrous. Its extension could be prevented by (*a*) drastic restriction of sub-letting, mortgage and transfer, (*b*) restriction of the area of holding which an occupany raiyat can cultivate without the importation of permanent outside labour. This form of restriction is true of the so-called "family holdings" in Germany to-day. Otherwise the recognition of bargadars as occupancy tenants might lead to their wholesale ejectment by the occupancy raiyats, who would cultivate by means of hired labour.

Q. 34. Here and there some zamindars may keep the khas lands in their direct possession, but on the whole the accrual of occupancy status will be beneficial to the bargadars, and what is of greater economic significance will lead to better soil utilisation and to social peace in the countryside. The bargadars, depressed and land-hungry, represent to-day an inflammable material which awaits ignition from an agitator into a devastating flame of agrarian revolution. Communal antagonism also feeds the ire of a revolution.

Q. 35. Half and half; but the seeds and manures should be supplied by the superior interest. A maximum limit should be fixed by law, as in Bihar (18:22), and share agreements standardised, as in Spain and Italy. The landlord or superior interest must take up the responsibilities of scientific farming, supply of improved seeds, implements and manures, and cottages for the metayers to live in.

Q. 36. Wages in kind for agricultural labourers, who are on a yearly contract are 8 to 10 maunds of rice a year, 2 pairs of cloths and 2 napkins, together with other small requisites. In Birbhum the annual wages of the day labourers vary from Rs. 8 to Rs. 24 together with 6 or 8 bish of paddy. In Burdwan wages are much higher. For reaping the rate often found is 1 bundle to every 10 bundles harvested. Wages paid in cash vary from 4 to 5 annas in western and central Bengal to 6 to 9 annas in East and North Bengal.

Since there is enforced idleness for agricultural labourers during certain months of the year, their economic position is inferior to that of the bargadars and under-raiyats. Unemployment of agricultural labourers is especially acute in eastern Bengal, where they have to live for some months on sweet potatoes, to the exclusion of rice.

Q. 37. Occupancy privileges, which are intended for the actual tillers of the soil, should not be permitted to be captured by the middle and money-lending classes. Thus the right of transfer should be restricted to contenants or to persons in the special line of heirs as defined by law (as in the Central Provinces). Further no tenant should have the right of occupancy in so much of his holding which is

above the size of the economic holding and cannot be cultivated by him or his family without permanently importing hired labour.

Q. 38. The minimum size of an economic holding would differ in different agricultural regions in Bengal. On an average 4-5 acres would represent an economic holding.

Q. 39. Yes.

Q. 40. Legislation should compel landlords and tenants to accept restripment when 66 per cent. of the cultivators of a village desire it.

Q. 41. Yes.

Q. 42. The limit of accumulation of large areas can be secured by insisting that holdings cannot be acquired beyond the size which cannot be cultivated by anybody without permanently importing hired labour or by bhagbili under approved agreements.

Q. 43 & 44. The evils of subdivision of holdings have been so grave that I could consider a change of the laws of inheritance as the major remedy. On the death of head of a family, a preferred heir should succeed to the undivided holding, the education of the other heirs and marriage of sisters being a charge on the holding.

Q. 46. No.

Q. 47. Yes. It was the intention of the Government to render the rent payable by the raiyats precisely as stable as the revenue payable by the zamindars. The amount of rent was not to exceed the established pargana rates for different crops grown on the land (*vide* my Land Problems of India, p. 313); but the instructions of the framers of the Permanent Settlement could not be carried out as (*a*) the Collectors, few as they were, could not cope with the task; (*b*) the district kanungoes were abolished; (*c*) the old machinery of district and village registers was permitted to be destroyed; and (*d*) the apprehension of the Government that an enquiry into the rights of the raiyat might create suspicion among the zamindars that the revenue assesment was not really intended to be permanent.

Q. 48. Lord Cornwallis's intention is clearly indicated in the legislative right he gave to the cultivator to demand a dictatory lease or patta specifying the rent and in his statement that many regulations would be necessary for the further security of the raiyats, (Hunter: Bengal MSS. Records, Vol. I, Chapter V) and by the proposal of holding an exhaustive, minute enquiry for determination of the

pargana rates, which was held at abeyance because of the preoccupations with the wards. Clause (*e*) also gives the general ground for the supposition that rents were also proposed to be stabilised.

Q. 49. No.

Q. 50. No.

Q. 52. To determine fair and equitable rents it is necessary to initiate a more careful and intensive enquiry into the costs and profits of agriculture than ever yet has been undertaken in Bengal. The State, in estimating the net produce or economic rent, should make a liberal allowance for—

(*a*) the true and full expense of cultivation;

(*b*) the labour expended by the cultivator and his family;

(*c*) the depreciation of cattle and agricultural implements;

(*d*) the interests on seasonal borrowings for cultivation;

(*e*) insurance against the normal risks of cultivation due to the precariousness of the seasons.

The Central Provinces Settlement Act of 1929 incorporates these economic principles which should guide the rent policy of Bengal.

Q. 53. The majority of rents may be described as lump rents which are governed by the competition for land, stage of agricultural settlement and development and the social status of tenants. Rents paid by the under-raiyats are the best index to competitive rents; while in practice other rents vary for lands of similar agricultural conditions and depend upon the economic position of tenants, the over-crowding of agriculture and the power of the landlords to levy illegal imposts (abwabs) which pitch rents higher than economic rents.

The poorer, weaker and lower-caste tenants pay usually higher rent-rates. Besides the above the zamindar instead of pitching up the rent in the case of a surrendered, purchased or abandoned holding often prefers to take a premium, the amount of which depends upon the population pressure and the consequent competition for lands.

Under-raiyats as a rule hold minute, toy plots. Since the rent-rate is based on so many rupees per bigha, the incidence of rent for the holdings of under-raiyats becomes heavier the greater the disadvantages of cultivation due to fractionalisation and scatteredness.

Q. 55. The principles followed in temporary settled provinces should be followed. This could be done without preparing a new record-of-rights.

Q. 56. No.

Q. 57. 12 years.

Q. 58. No.

Q. 73. Soil erosion in the western districts and the absence of river spill in the central districts are responsible for the decline of soil productivity in Bengal. Adequate steps to improve soil fertility have not been taken.

Q. 80. Besides the means suggested others may be mentioned—

(1) expansion of secondary crops like sugarcane, hemp, tobacco and groundnuts;

(2) development of agricultural industries;

(3) improvement of marketing organisation;

(4) fruit farming;

(5) dairying.

Q. 86. There has been almost complete stampede of credit from the countryside as a result of the operations of the District Boards. The Bengal Agricultural Debtors Act has thus hit the mahajan but hit the tenant harder. Immediate provision of credit through the rehabilitation of the co-operative credit movement and introduction of Land Mortgage Banks are indispensable.

Oral evidence of Professor Radha Kamal Mukherjee, M.A., Ph.D., Professor of Economics and Sociology, Lucknow University on 15th March 1939.

In reply to the Chairman, Professor Radha Kamal Mukherjee said as follows:—

"The Permanent Settlement was put into operation for reasons of revenue, and deprived the khudkasht raiyats as well as other raiyats of some of their established rights. Originally the khudkasht raiyats had rights not only in their land but in forests, grazing lands, tanks, watercourses, etc. Landlordism was the beginning of the decline of the community system of agriculture which was in operation when the Permanent Settlement came into force.

At the time pargana rates were fair rates as there was no competition for land. In some provinces the pargana rates were a share of the produce and not a fixed sum of money, but there is no evidence to show what they were in Bengal. The under-raiyats pay an average rent of Rs. 6-3 per acre. The Hindu law and Akbar's system regarded 1/5th of the produce as a fair share. As regards the rate of raiyati rent, I do not regard Rs. 3 as excessive as a general rule, but Rs. 3 is excessive if the holding is under the economic size: very many holdings are under the economic size and therefore cannot afford to pay this rate of rent.

Government should pay compensation to zamindars if it is intended to abolish the zamindari system. According to my scheme, this will take the form of a permanent annuity. In calculating the amount of this compensation, the following things will have to be taken into consideration:—

The difference between the rent roll and the revenue should first be calculated after reducing all unfair rents to an economic level. Government revenue and cost of collection, cess and other expenses will then be deducted from this figure which will now be the pension payable to the zamindars.

Government should then settle tenants on the land. The estates, when purchased, should be divided among the tenants in such a way that each holding will be of an economic size. Fragmentation will be forbidden and the right of transfer very much restricted. In the matter of inheritance, the law will have to be amended, by introducing the system of preferred heirship. This would mean the displacement of a very large section of the agricultural population who will have to be accommodated in large-scale and small-scale industries—preferably cottage industries.

The raiyats who till their own lands would then be given proprietary interest subject to the restriction mentioned before. They would then pay to Government the economic rents of their holdings plus something above this for the first 15 years. This something will be a small proportion of the actual rent, and will be paid by them in consideration of their receiving proprietary rights, and will be used to meet the expenses of the scheme and for effecting agricultural improvements. I do not think that the raiyats would object to paying this money for the establishment of agriculture on an economic footing and for the acquisition of full proprietary rights. To enable the raiyats to establish themselves on a sound financial footing I would recommend the establishment of agricultural land mortgage banks and co-operative societies as in Prussia and Bavaria.

State finance will improve if agriculture becomes more profitable. Progress will be fairly rapid if legislation is set on foot to tackle simultaneously all problems connected with agriculture.

Tenures will be bought at prices lower than those paid for zamindaris. This is because tenures are inferior interests. There are precedents of payment of very small compensation in Poland and Rumania, but political rather than economic factors dominated the acquisition of estates to there.

In connection with barga tenancies I have noted the following in course of my investigations:—

In East Bengal the man who lets out his land in barga exacts salami varying from Rs. 3 to Rs. 5 per bigha. He can do this as there is competition for barga holdings. I found this also in the district of Champaran. If barga tenancies are to be, I would give occupancy rights to those who have been in cultivation for 5 years dating up to some past year before the passing of the Act in order that when the matter comes up for consideration it will not lead to the eviction of bargadars by those who have let out their lands in barga, to prevent them from acquiring occupancy rights.

Produce rents should not exceed one-half. The letter in barga should be compelled to supply seeds, manure, cattle, etc., I have no objection on principle to produce share in rents being paid to Government, but it is my opinion that the barga system is economically unsound."

In reply to the Maharajadhiraja Bahadur of Burdwan, Professor Mukherjee said as follows:—

"At the time of the Permanent Settlement khudkasht raiyats were actual cultivators and not tenureholders. I do not think it is likely that the raiyats instead of being ejected, voluntarily surrendered the holdings which they were cultivating at high rates of rent, in order to take settlement of jungle lands at lower rates of rent, offered by the same landlord or other landlords, owing to competition among zamindars for tenants. My reasons for this view are that the raiyat is very much attached to his ancestral land. It might conceivably have been the case in East Bengal where population was thin and competition for tenants was acute, but it is not the case in West Bengal where population is thick and competition is for land rather than for tenants.

In connection with my statement that subinfeudation has adversely affected the condition of the raiyats, I have to state that I have not compared status and condition of raiyats in the permanently settled area with those of the raiyats in the raiyatwari area.

Occupancy status was a creation of British legislators, though this institution is not found in British law. The legislators did not apply British institutions to Bengal but occupany status is their conception of the custom prevalent in India.

In calculating the economic rent of a holding the following things are to be taken into consideration:—

The expenses of agriculture;

The proximity of the market;

The caste of the agriculturist; and

The size of the holding.

By re-sorting the holdings, agriculture will be made profitable and full economic rent may be obtained. Due to the fact that neither Government nor the zamindars set on foot any schemes to prevent agricultural catastrophies, agriculture has undoubtedly deteriorated. The State cannot afford to set on foot ambitious schemes for agricultural improvement, as it lacks funds owing to the inelastic revenue system which it has created. I admit that zamindars also could not set on foot very large projects but they might very well have spent money on excavation and re-excavation of tanks.

There are very many practical difficulties in the way of the imposition of death duties in India, owing to the Hindu and Muhammadan laws of inheritance, and I think this is all the more reason why big landlords should, if possible, pay their share in other directions.

In paying compensation to zamindars over and above the economic rent for 15 years, the agriculturists would get for their money freedom from oppression by the zamindars and also a proprietary status on their lands.

In the whole of the scheme, I have considered the interests of agriculture in general rather than those of tenants or landlords in particular.

Soil erosion is responsible for decrease in productivity of the soil in a large part of Bengal. This is particularly the fact in Birbhum, Bankura, Midnapore and part of Burdwan. I attribute soil erosion largely to disafforestation. If re-afforestation is to be effected, I do not think there will be any need to encroach on land which is at present under crops, as there is a lot of waste lands in these districts.

Much damage has also been done by the deposit of sand, due to fluvial action. This can be largely obviated by re-afforestation in Chotanagpur.

I am a believer in restriction of population."

In reply to Mr. B. K. Roy Chowdhury, Dr. Mukherjee went on as follows:—

The rights of khudkasht raiyats were not definitely taken away by the Permanent Settlement but died out as a result of neglect. The creation of occupancy rights was an attempt to restore the rights of khudkasht raiyats, I have no documentary evidence to show oppression eviction or enhancement but I consider that the tenancy legislation enacted since that time was intended to put down oppression as noticed by executive officers and legislators from time to time. Rack-renting as a result of competition for land occurred chiefly in West Bengal.

In my remarks about the inelasticity of the land revenue in Bengal, I realised that Bombay has a larger area than Bengal but I passed my remarks to show that income-tax in Bombay is so much smaller in proportion to the land revenue than it is in Bengal. The elasticity of the land revenue resulting from the purchase of zamindari interests would enable Government to set on foot schemes for rural improvement. I have not yet worked out any scheme of my own. I understake to submit figures in that connection to the Chairman.

I do not wish occupancy raiyats to be given of an area larger than can conveniently be cultivated by one family because I want to put a stop to sub-letting by big raiyats and to employ permanent hired labour. I wish to give occupancy rights to families actually cultivating with their own hands. I would employ the 29 lakhs of hired labourers who would be thus displaced in industry. I realise that the abolition of barga tenancy would mean that widows and minor children would lose their rights of occupancy if they were unable to cultivate themselves, but they will have to be sacrificed to the public good. I realise that in providing economic holdings to those who are left on the land, a fairly large displacement of population will take place. This section will be provided for by the expansion of industry that will ensue. The prestige attached to landownership by those who would invest their money in land and receive interest has in the past deterred capitalists from investing in industry and has accounted for Bengal's industrial backwardness. The diversion of savings from investment in land to investment in industry will provide the industrial expansion requisite to accommodate those displaced by agrarian reforms.

In reply to Sir F. A. Sachse, Dr. Mukherjee went on as follows:—

In the days of the Permanent Settlement, the village community and individual khudkasht raiyat had rights of transfer but land could not be sold by khudkasht raiyats to outsiders. Custom of transfer to all and sundry crept in since then. I would use land acquisition and land mortgage banks in order to enable tenants to buy lands only to make their holdings economic. It would take about 10 to 15 years.

The process would be expensive but it is so necessary that I regard it as indispensable. The inferiority of Bengal agriculture in comparison to that of Japan is due to lack of good seeds, the fact that night-soil is not used as manure, and to the greater fragmentation of holdings prevalent in Bengal. I do not think the land in Bengal is less fertile than that of Japan or that the Bengalees are less industrious than the Japanese. The figures shown in my book "The Changing Face of Bengal", illustrating the decrease of land under crops in West Bengal as opposed to East Bengal are found in Government statistics. I have no reason to doubt them. There has on the whole been a decrease in area under crops. If these figures are wrong, the Agricultural Department is to blame. In legislating about share tenancies, I would not only advocate legal restrictions being put on the Statute Book governing conditions of barga, but I would also introduce standard contracts as it done in North Italy. Regarding increase in elasticity of revenue which would result from my scheme, it would not be manifest so much in extra receipts from land revenue itself as in increase in receipts on general heads of revenue resulting from the increased purchasing power of the raiyats that would result from the consequent improvement of agriculture.

I do not envisage collective farming. The essential is redistribution of land and reconstitution of holdings. Peasant proprietorship, I think, would certainly result in increased productivity of land.

In reply to Khan Bahadur M. Hosain, Dr. Mukherjee went on as follows :—

Under my scheme, the compensation paid to zamindars will be in the nature of a perpetual pension as I doubt whether capitalisation could be afforded at once though it might be undertaken later when Government finances improve. Rents reduced to an economic figure may amount to say, 7 to 8 crores. What Government will gain will be the increase in general revenue due to increase in the purchasing power of the raiyats. I do not envisage Government making any actual direct financial gain by buying out the zamindars. I think that the sense of responsibility induced in raiyats by the magic of ownership will be a great gain to agriculture. I do not think State-landlordism is desirable as this will diminish the sense of ownership of the raiyats.

Under my scheme, after fixing economic rent I would not exclude altogether subsequent revision but revision of rents would take place only after a very long period, say, 40 or 50 years. This is not the practice in raiyatwari mahals where revision is frequent and enhancement considerable. Consolidation would be effected by compulsory acquisition by Government on behalf of those raiyats who while their holdings are smaller than the economic size are otherwise well-to-do and can afford to purchase. In the meantime, uneconomic holdings

will be excused payment of rent. At the time of the Permanent Settlement, Lord Cornwallis, did not in my opinion contemplate any enhancement of rent.

In reply to Khan Bahadur Hashem Ali Khan, Dr. Mukerjee went on as follows:—

I consider that the condition of peasantry in Germany is better than that in the past and in Bengal to-day. Fractionalisation of holdings is responsible for the miserable condition of Bengal agriculture. The laws of inheritance will have to be revised. A certain amount is also attributable to the great increase in population. In Germany I think that political factors rather than economic considerations were responsible for the abolition of landlordism. I think the condition of peasantry will be improved by the abolition of the Permanent Settlement. The contract of the Permanent Settlement is not sacrosanct but has got to be revised, but I am quite firm that compensation must be paid. It would be a rude shock to credit and to the entire economic structure if those who have invested their savings in land since the Permanent Settlement were to be expropriated. I do not recommend a policy of expropriation, because I consider that it would be morally indefensible and economically inexpedient. The problem of indebtedness of the cultivators to-day will be solved by the establishment of Land Mortgage Banks. There was no expropriation in Germany at the time of breaking up the estates. I do not agree to a policy of dispossession by the State and payment of malikana at the rate of 10 per cent. of total collections nor would I agree to assessing the profit on the difference between Government revenue and rent roll at the time of the Permanent Settlement because much capital has been invested in land since then. I think that the cultivators will be very glad to accept my scheme. One of my chief objects is to abolish permanent importation of hired labour. The preferred heir who holds the farm will pay for the education of his brothers and for the marriage of his sisters.

There will be no bargadars under my ideal scheme, but if they are to be there, they will remain as I have indicated before. Maximum rate of rent will be fixed for them they will pay no salami, and there will be standardised agreements as regards the supply of manures, seeds, agricultural labour, etc., I consider that the grant to them of occupancy rights would induce them to cultivate more efficiently.

In reply to Dr. Radha Kumud Mukherjee, he said as follows:—

I consider that many khudkasht raiyats were evicted after the Permanent Settlement. I wish to point out a typographical error in my answer to the questionnaire. The word "total" should read "local" before the words "rates and taxes".

I wish to eliminate rent receivers not because I attach any stigma to rent receiving in itself but as a matter of economic necessity. I think it essential that the cultivators should have a sense of responsibility attached to ownership and I think that rent receivers should learn to invest their money elsewhere. Investment of money in rent receivers' interest does not mean investment of money in agriculture. I do not agree to the figure of Rs. 3 as the average rate of raiyati rent in Bengal. I consider that this is higher than the rent in Madras and other provinces. I would like an intensive survey of rents in Bengal to be made. I consider that in reference to Government share of the produce of land, rent is higher in Bengal than it is in Madras. An offensive all along the line is required in the matter of agrarian legislation. It will be of no use to buy out the landlords if we do not at the same time reduce fractionalisation and legislate for general reform in all matters connected with agriculture. In the Central Provinces, the rent payable to rent receivers has been drastically reduced and sub-letting for more than three seasons prohibited.

Reply by Dr. Sarat Chandra Basak, Senior Government Pleader, High Court.

Q. 11. I think there is a good deal of force in grounds 1, 2 and 3.

Q. 12. Yes. On first 3 grounds stated in question 11.

Q. 13. I will advocate the total abolition of the zamindari system —the reason being the zamindari system is unsuited to the present-day conditions and I shall further support my proposal on the first 3 grounds of question 11. My proposal is that all grades from zamindars up to the tenureholders just above the actual occupant of the soil should be abolished. In other words there should be no one intervening between the Government and the actual occupant of the soil and the latter will hold directly under the Government. All attempts for subinfeudation henceforward should be prohibited.

Q. 14. Yes. I would give compensation to the zamindars and other tenureholders under them. Taking the facts from question 7 it appears that there is a difference of 9 crores in the permanently-settled area between the rent roll of the time of the Permanent Settlement and the last record-of-rights. If the Permanent Settlement is abolished zamindars and the tenureholders together will lose about 9 crores every year assuming that there is cent. per cent. realisation. I will assess the compensation in the permanently settled area at 10 times (i.e., 10 years purchase) 9 crores, i.e., 90 crores. I should give the compensation in the form of 3 per cent. Bond free of income-tax. I will also do away with the temporarily settled estate for which I will assess compensation at 5 years purchase.

Q. 15. The 3 per cent. Bond, free of income-tax, should be redeemable after 30 years and I shall also provide for a sinking fund of 3 crores a year. The result would be that for 30 years the Government will get about 9 crores on this account and after 30 years the income of the Government will be 12 crores.

Q. 16. The artificial importance of the zamindars and talukdars and other tenure-holders will come to an end and the social position of the really capable men would be enhanced. The people belonging to the caste or class of landholder will be appraised at their true worth.

Q. 17. Yes. This change will benefit the country as the resources of the Government will be immensely increased and funds for nation-building departments will be available.

Q. 18. A Compensation Court will have to be established in each district to deal with and apportion the claims of the different degrees of tenants. I will suggest that some of the Subordinate Judges may be vested with this power and that will not in any way lead to overwork of the Subordinate Judges, inasmuch as there has been a great fall in the litigation in these days. If this suggestion is accepted it will not lead to any substantial increase of costs; moreover such compensation courts will be in the nature of things temporary ones.

Q. 19. I should think the raiyats would prefer to come under Government and pay rent to it direct although it may be that in some cases khas mahal tenants have been assessed at a higher rental than their neighbours. In times of scarcity and other unforeseen circumstances the Government can and will help them by remission of rents or otherwise. Moreover the Government will certainly give more attention to improve the conditions or the tenants under them than the zamindars.

Q. 20. Yes. The creation of permanent tenures has led to greater exertions of the raiyats and has lowered them in social position, so much so, that socially the actual cultivator is looked down by all other sections.

Q. 21. With regard to the economic position of the province the effect would be most beneficial as money would be forthcoming for the immediate needs of the province without further taxation. As regards the economic position of the tenure-holders themselves I think having regard to the present condition it will benefit them. The difficulty of realising rents has been felt very acutely and the economic position of the tenureholders is indeed very bad. If my proposal be accepted they will be assured of a fixed income and after 30 years they will have a large sum of liquid cash which they will be able to insert in the best way possible. With regard to their social position they will lose to some extent, but in these days this artificial social position should be done away with.

Q. 22. If such homesteads and khas lands (lands actually in their occupation) be included in their zamindaris and tenures, then they will have rights of occupancy in them. In other words their interests would be permanent and heritable but the rent would be enhancible. If, however, their homesteads and khas lands, i.e., lands in actual occupation be held outside their zamindaris and the tenures then if they have got already a mokarari right (right to hold at a fixed rent) then that right will not be interfered with. The zamindars' and tenure-holders' khas lands can be found out from the records of rights which have been prepared.

Q. 26. I will give occupancy right to all actual cultivators of the soil. With regard to (*a*), the tenants would have occupancy rights in the parts which are actually cultivated by them and in the parts which have been sublet by them I will place the tenants in the category of the tenure-holders and I will give occupany right to the sub-lessees in respect of lands in their actual cultivation. (*b*) The raiyats who have sub-let their entire holdings would be placed in the category of the tenure-holders and the rights of such raiyats will be purchased by the Government and the sub-lessees will have occupancy rights directly under the Government. In both (*a*) and (*b*) I have assumed that the sub-lessees have got permanent rights or occupancy rights.

Q. 27. I am not in favour of giving rights of occupancy to non-agricultural tenants. I shall leave non-agricultural tenancies to be governed by the Transfer of Property Act.

Q. 32. By bargadars I take it the meaning is those who have barga tenancy. I do not include labourers in the category of bargadars. In my scheme the bargadars who are actual occupiers of the soil will have the right of occupancy.

Q. 37. First part—My answer is, yes.

Second part—My answer is, yes.

Third part—My answer is, yes.

Fourth part—My answer is, yes.

It is quite practicable to restrict the transfer to agriculturists only if it is provided in the statute that such transfer will be recognised by the Government if it is in favour of the agriculturists only.

Q. 55. I would recommend that the present rents should be assumed to be properly assessed. It will not be advisable to have uniform basis for re-adjustment of rents throughout the province as the productivities and the other facilities will have an important bearing upon the rental and a wholesale re-adjustment will lead to a great increase in litigation either before Civil or Revenue Courts.

Q. 57. The rates of the rent should be re-examined from time to time at an interval of at least 20 years.

Q. 64. Yes.

Q. 67. Yes.

Q. 69. Yes.

Q. 86. First part—No.

Second part—Many.

The constitution of the Board is faulty. It was a mistake to give the powers to the Members who are under local influence and who work without remuneration. The cases under the Bengal Agricultural Debtors Act ought to have been given to the judicial officers of the Government. The delay in the disposal of the cases is wholly unjustifiable.

Q. 91. If the zamindari system is to be retained then I would support the repeal of the old regulations and earlier Acts and replace them by way of simple Acts.

Oral evidence of Dr. Sarat Chandra Basak, Senior Government Pleader, High Court, Calcutta, on 18th March 1939.

In reply to the Chairman, he explained that the figure of 9 crores in his reply to question 14 has been taken from question 7 of the Commission's questionnaire and represents the difference between the present raiyati assets and the assets at the Permanent Settlement. It is thought that at the time of the Decennial Settlement the produce from the land amounted to about 3 crores, of which one-eleventh was allowed to the zamindars. The difference between that and the present raiyati assets would be available to the State if the landlords and tenure-holders are removed. Land values have now decreased, especially in western Bengal where the incidence of revenue is high. He would not say that zamindaris can be sold nowadays for more than 10 times the net profit. After purchasing the zamindars and tenure-holders, the State would receive 12 crores *less* the revenue now paid and it would have to allot 3 crores annually for the sinking fund under his proposal. He agreed that interest on the bonds would also be payable and that it would be correct to say that Government will not gain 9 crores a year until after the expiry of 30 years. The interest at 3 per cent. on the bonds would amount to about 2·75 crores a year, so that at least 6 crores will be available. The sinking fund, however, could be invested and the interest from this would be available. He doubted if the income from bonds would actually be less than the present income of the zamindars, owing to the difficulties of realising rent, and the payment of road and education cesses. Collection is very expensive, because in every rent-suit, court-fees and lawyers' expenses have to be paid, and it is after the decree has been obtained that the

landlord's difficulties begin. It is one thing to obtain a decree and another to execute it and realise the amount.

He would treat occupancy raiyats who have sub-let as tenure-holders and include them within the scheme for State purchase.

Statement 8 issued by the Commission shows that there are 16·2 million raiyats. He could not say what proportion have sub-let but thought it would not be more than 10 per cent. He agreed that the effect of State purchase would be that a large part of the middle classes would be bought out and would have to seek different avenues of employment. In his view the Permanent Settlement is responsible for hampering industrial development in Bengal and has attracted large investments in land. He was in favour of giving occupancy rights to actual tillers of the soil, including bargadars. The scheme for State purchase would be a tremendous task, but mere tinkering with the present system will achieve nothing. We should aim at producing a new system that may not have to be disturbed for another 50 years. After State purchase, he was in favour of stopping transfers and sub-letting, except to agriculturists and with the permission of Government. This proposal would certainly take away some existing rights given by the Tenancy Act but he pointed out that the Tenancy Act has recently taken away some rights from the landlords without giving them any compensation. As regards the possibility of realising rents after State purchase, he said that Government has already khas mahal estates in which realisation is prompt. Whether or no landlords are retained, there should be a speedy method of collecting rents. It is true that though some tenants may not be able to pay, many of them can pay but won't. Most of the landlords are in difficulties over the payment of revenue. He mentioned a case before the Board of Revenue in which he had appeared for a zamindar who was unable to pay Government revenue as the Court of Wards which was managing the estate of the patnidar under him (zamindar) was unable to pay the superior landlord's rent. If the present campaign for non-payment of rent goes on, the position of the landlords will become increasingly difficult. Government should suppress the agitation against non-payment of rent and it is in the interst of the party in power, who will have a majority in the Legislatures to see that Government's activities are not paralysed by agitators.

In reply to a question put by the Chairman on behalf of the Maharajadhiraja Bahadur of Burdwan, he said that he is a supporter of neither the landlords nor the tenants. His motive for recommending the abolition of the Permanent Settlement is that the country must have extra money if it is not to be behind other countries.

Bengal, and the whole of India are far behind the West in the development of social services. In Bengal, land revenue is fixed, and industry is undeveloped. The only way of increasing Government's income is to tap sources which have not previously been tapped and from which a considerable amount of profit may be derived. At the Permanent Settlement the zamindars' profit was one-eleventh. Profits have greatly increased since then because of the rise in prices, the development of railways and communications, and the extension of cultivation. The Permanent Settlement was a bad bargain for Government and under present conditions should be abolished.

Khan Bahadur M. A. Momin had no question to put.

In reply to Khan Bahadur M. Hosain, he said that the profits of zamindars have increased since the Permanent Settlement. It was expected at that time that profits would increase as a result of the extension of cultivation. They were also expected to look after the interests of their tenants. In those days zamindars were resident on their estates, excavated tanks, and carried out other irrigation works, but now most of them are absentees and reside largely in Calcutta. He agreed that but for the Permanent Settlement Government would have received 11 crores. He did not agree that in the Permanent Settlement Regulation the words "all classes of people" include non-agriculturists. They are governed by the Transfer of Property Act. In the case of house property and industrial concerns, it could be difficult to fix a basis for revenue if occupancy rights were given. At the time of the Permanent Settlement there was virtually no industry, and he thought that legislation then contemplated agricultural tenants. It would be difficult to have a customary rate of rent for tenancies like shops. There are also mokarariders who have paid heavy salami for their rights, and commercial tenants whose rent must be governed by contract. In such cases the rent must vary. It depends on the law of demand and supply. Then there is the case of the tenants in villages who have homesteads only. They are protected by section 182, Bengal Tenancy Act. Probably there are very few people in villages who have no agricultural land in addition to their homesteads. He would define agriculturists as persons who themselves cultivate or who cultivate through hired labour. Bargadars consist of two classes: (1) those who are labourers and (2) those who supply the seed, cattle and plough and take a half share of the crop. In the second case, he would give occupancy rights. In the case of bargadars who have converted agricultural lands into homesteads, he said that under the present law, section 155, Bengal Tenancy Act, would apply. He did not agree that the law operates harshly, and thought that such cases should be left to contract.

In reply to Khan Bahadur Hashem Ali, he agreed that the Legislature is all-powerful and can take away the rights of any class, even arbitrarily. It is a matter of policy whether the present Government should remove the landlords and tenure-holders. He agreed that if the present state of things continues, zamindars will be placed in a difficult position, and in his view it would be advisable for them to accept compensation. Compensation should be calculated by taking the rent-roll from Settlement records and deducting revenue, cess, and collection charges which would be between 5 and 10 per cent. He would not deduct litigation costs, nor irrecoverable arrears of rent. He agreed that there may be some realisation of abwabs, but this cannot be made a general indictment against zamindars, nor did he agree that the zamindars can be called more extravagant than other people. In recent years, many zamindars have become non-resident and from that point of view it might be said that their interest in land has disminished. He agreed that bargadars who plough the same land continuously for a period of years should be given rights of tenants, but not labourers who may be changed from year to year.

Dr. Mukherji said that the gross revenue of Bengal from all sources is 38 crores but after deducting amounts paid to the Central Government, it is left with 13 crores only. Dr. Basak said he has not examined statistics but this might be so. It might also be true that the land revenue plus income-tax and the income from customs and stamps are higher in Bengal than in Bombay and other provinces. Dr. Mukherji pointed out that in Bombay the revenue is 12 crores for 15 million people and in Bengal it is 13 crores for 50 million. Dr. Basak agreed that this might be so but pointed out that the population being largest in Bengal, its financial need is greater. He had not studied the land revenue system of Madras: it might be true that though the State is the landlord the rent is higher there than in Bengal and industry is not greatly developed; but in European countries where State landlordism exists, great progress has been made. The rent in Bengal might be the lowest in India, but he had not seen statistics. When Government is the landlord the tenants pay more. It may be true that in Madras the raiyats under the Government pay twice the average rent in Bengal. Tenants in khas mahal areas in Bengal pay higher rents than tenants in the permanently settled area. He agreed that the Permanent Settlement is responsible for low rent in Bengal but maintained that the State income must be increased for the development of social services. It may be true that the tenants pay one-fifteenth of the gross produce but it has also to be remembered that many of them are illiterate and have no medical facilities. He agreed that under State landlordism, the rent should be raised where it is very low, but such enhancements should be made through law courts.

It should not be assumed however that the Government would be an exacting landlord.

He did not agree that the Permanent Settlement has diffused agricultural prosperity to the middle classes. The tenure-holders cannot be said to be "on the land". They do not cultivate or do anything for the development of the land; they simply derive a profit without contributing anything. According to his scheme tenure-holders and raiyats who are merely rent-receivers would receive interest for 30 years and after that would receive a lump sum which they can invest in banks or industries. There would be no "displacement", because rent receivers who do no cultivation have already displaced themselves from the land. The result of State purchase will be of benefit to the cultivators owing to State protection and the improvement of social services, communications, etc. It may be true that the abolition of the Permanent Settlement would lead to a decrease in the revenues from court-fees, stamps and income-tax. He did not however agree that the purchasing power in Bengal is higher than in other Provinces. He would say the purchasing power in Bengal is low. Income-tax is paid largely by industrial concerns. It may be true that 133 crores have been invested in industries in Bengal and that this is higher than the investments in Bombay, but it has to be seen who are the shareholders—whether they are Europeans, Marwaris or Bengalis. He did not agree that Bengal is ahead of other Provinces in industry. The Puujab is advancing very fast; and the share capital cannot be considered the only index. He said that Bengal is certainly far behind Bombay, the reason being the Permanent Settlement which has led to greater investments in land. Certainly there were industries in Bengal which have now disappeared, but Government cannot invest money in industries. If necessary he would draw up a programme for the develoment of social services such as sanitation, irrigation, communications, education and the development of agriculture. The question of economic holdings is a wide one. What would be an economic holding in Bengal would not be economic in other countries. Most cultivators do not employ any hired labour but themselves cultivate. A collective system of agriculture would be very difficult to introduce in Bengal. The law of inheritance is such that even within one generation property may be divided by ten. The position might be improved by altering the laws of inheritance but it is doubtful whether this is practicable.

Existing resources of taxation are exhausted and additional income must be taken from the land. As regards the compensation to be paid for State purchase he was not in favour of applying the principles of the Land Acquisition Act because the circumstances would be different in the case of the State purchase of zamindaris. Tenureholders

would not be thrown out of employment by State purchase because they are already unemployed.

The question of consolidating holdings must be tackled either by changing the laws of inheritance or by introducing the co-operative system of agriculture.

Mr. B. K. Roy Chowdhury did not ask any question.

In reply to Sir F. A. Sachse he said that there was some correspondence with the Government of India regarding the question whether mineral rights were included at the time of the Permanent Settlement. There has been no actual decision in the courts but Government, so far as he remembered, decided not to interfere with the landlords' mineral rights. There was, however, Privy Council decision in cases between a landlord and a mokarariddar. The decision was that if the existence of the minerals was not known at the time of the Permanent Settlement, the presumption would be that there was no intention to include such rights in the lease. If that principle were to be followed in the case of zamindars' mineral rights, no special compensation would be payable for such rights. He cited as an analogy the Privy Council ruling in the Burdwan case where it was decided that land covered with water at the Permanent Settlement, although within the ambit of the estate, could be assessed to revenue on the ground that the assets had not been included at the time of the Permanent Settlement. As regards forest land there is section 31 of Regulation II of 1819 that waste lands should not be further assessed. Compensation would have to be paid on account of such lands.

He agreed that it would be of great advantage if all fisheries in Bengal were brought under the Government. Rent-free tenures and holdings could not be touched unless compensation were paid. In the case of a rent-free tenure, it is a matter between the landlord and the rent-free holder what proportion of compensation would be payable to each, because the grant was made by the landlord and not by Government.

As regards the inclusion of arrear rents in the compensation payable he said that at present when private purchases are made, arrear rents are included, but 50 per cent. is sometimes deducted as being unrealisable; but the purchaser ordinarily pays about 30 per cent. of the amount in arrears as the purchase money for those arrears. There would have to be an addition to the compensation money payable on this account. He agreed that the revenue and expenditure of a Province should not be considered only with reference to the population of that province. He was in favour of having the procedure for

rent-suits revised:—something like certificate procedure should be given, i.e., the work should be done through revenue courts. Section 148K has been little used by zamindars; probably no one has advised them to use it. Debt Settlement Boards are another reason why landlords are finding it difficult to realise their rents. As soon as a rent-suit is filed the tenants go to the Debt Settlement Boards to suspend the proceedings. He said that people would prefer to have rent adjusted through the civil courts as there is a general prejudice in favour of the civil courts. He himself would not endorse that view, and agreed that revenue officers would be in a better position to estimate the productivity of land. They have more experience and they visit the locality.

The money spent on the record-of-rights was well spent and he thought that it was a great mistake on Government's part not to revise the records after a period of 30 years. If the State purchased the interests of landlords and tenure-holders the record would have to be brought up-to-date.

He explained that he was in favour of giving occupancy rights to bargadars who supply the seed, plough and cattle as distinguished from mere labourers. He had never heard before the 1928 Act of the theory that half of the crop is paid to the bargadar as the reward for his labour, unless the landlord says so in a document executed by him, or in a document executed in his favour and accepted by him.

In reply to the Secretary, he said that if zamindars were unwilling to sell their estates, and the State wished to acquire them, there would have to be legislation to that effect. The Permanent Settlement Regulation would have to be repealed. Government might also amend the Land Acquisition Act. Landlords would be forced to accept compensation in bonds if that were provided by legislation, but the State would guarantee an income of not less than 30 per cent.

In reply to Mr. B. K. Roy Chowdhury, he said that a future Government might annul their promise given to redeem the bonds. The Provincial Legislatures have as much power as Parliament in provincial matters.

In reply to the Chairman he said that his scheme for State purchase would be consistent with the provisions of section 299 of the Government of India Act. Sir F. A. Sachse said that the Act required that fair compensation should be paid. Dr. Basak said he would consider 10 times the net profit to be fair compensation.

[The tables below do not take into account temporarily settled estate.]

Table I.

Zamindars' net income excluding Government revenue, cess and collection charges assuming cent. per cent. realisation.

		Crores.
Total raiyati assets (including khas land) of permanently settled area	...	10
Deduct 12½ per cent. for collection charges	...	1·25
		8·75
Deduct revenue	...	2·15
		6·60
Deduct landlords' share of cess	...	·40
		6·20
*Zamindars' compensation at 10 times the net loss	...	10

*In finding out zamindars' compensation, I have not deducted unrealisable rent.

Table II.

		Crores.
Government gain	...	62
Deduct collection charges at 12½ per cent.	...	1·25
		8·75
Deduct unrealisable rent at 10 per cent.	...	1
		7·75
Deduct landlords' share of cess	...	·40
		7·35
Deduct Government revenue	...	2·15
Net excess	...	5·20

Table III.

		Crores.
Interest on 62 crores at 3 per cent.	...	1·86
Sinking fund 1/30 of 62 crores	...	2·067
		3·927
Deduct from	...	5·20
		3·927
Net excess in the first year	...	1·273

For the net excess in second year add interest on sinking fund a 1 per cent.[1] 2·07 lakhs—i.e., ·021 crores.

For the net excess in third year add to it the interest on mone paid to sinking fund in the previous year plus the interest on ·02 crores and so on for every succeeding year.

At the end of 30 years after the bonds are redeemed, the net exce will be 5·2 crores.

[1]I have taken very low rate, but in all probability, it will be higher.

Table IV.

If 2·067 crores be paid off to the holder of the bonds every yea by drawing lots as advocated by me during my evidence—

		Crores.
Net excess revenue in the first year	...	1·273
Add interest as paid off in first year	...	·062
Net excess in second year	...	1·335

this will go on increasing every year in arithmetical progression ti at the end of 30 years, the net excess will be 5·2 crores.

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